

A Workshop on the Basics of California Charter Schools

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Marin County Office of Education**

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Overview of This Evening

- **Background**
- **Legal Structure and Requirements**
- **Charter School Petitions**
- **Charter Oversight**
- **Memorandum of Understanding**
- **Denials and Appeals, Renewals, and Revocations**
- **Funding Considerations and Accountability**
- **Charter School Facilities**

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What Can We Do?

- Make sure everyone understands:
 - Collaborative efforts between charter schools and their authorizers are in the best interest of all students
 - Charter schools and their authorizers must understand each other's regulatory and proactive oversight reporting requirements
 - This is critical to everyone's success, especially students
 - Open communication is important every step of the way

Background

- Charter schools are independently run public schools that are given greater operational flexibility in exchange for greater performance-based accountability
- The number of charter schools statewide now exceeds the number of traditional public school districts
- A charter school authorizer may be a school district, county office of education (COE) or the State Board of Education (SBE)
- Charter schools are overseen by their authorizers, which is similar in structure to how a COE oversees a school district
- Charters are established by legally binding agreement: charter petition and memorandum of understanding (MOU)

Legal Structure and Requirements

California's Charter School Act 1992 (Senate Bill 1448)

Preamble of California Charter Law (Education Code Section [E.C.] 47601)

It is the intent of the Legislature, in enacting this part, to provide opportunities for teachers, parents, pupils, and community members to establish and maintain schools that operate independently from the existing school district structure, as a method to accomplish all of the following:

- Improve pupil learning
- Increase learning opportunities for all pupils, with special emphasis on expanded learning experiences for pupils identified as academically low achieving
- Encourage the use of different and innovative teaching methods

California's Charter School Act 1992

- Create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site
- Provide parents and students with expanded educational opportunities within the public school system without the constraints of traditional rules and structure
- Provide schools a way to shift from a rule-based to a performance-based system of accountability
- Provide competition within the public school system to stimulate improvements in all public schools

Legal Requirements

A charter school must comply with all the provisions of its charter petition, MOU, and other local agreements

- Brown Act
- Public Records Act
- California Division of Occupational Safety and Health (Cal/OSHA)
- California Longitudinal Pupil Achievement Data System method of reporting to the California Department of Education (CDE)

Legal Requirements

Charter schools are bound by the laws defined in the Charter Schools Act (E.C. 47600) and are exempt from the laws that govern school districts except:

- All federal laws
- Regulations that are a condition of program funding applied for and accepted by a charter school
- Specific provisions related to teachers' retirement and employee relations
- State pupil testing programs
- Laws establishing minimum student age for attendance
- Laws governing nonclassroom-based programs
- Much of the California Uniform Building Code

Limitations on Authorizer Liability

E.C. 47604 (c): *An authority that grants a charter to a charter school to be operated by, or as, a nonprofit public benefit corporation is not liable for the debts or obligations of the charter school, or for claims arising from the performance of acts, errors, or omissions by the charter school, **if the authority has complied with all oversight responsibilities required by law, including, but not limited to, those required by E.C. 47604.32 and subdivision (m) of E.C. 47605** (emphasis added)*

Let's Talk about Charter Petitions

Charter Petitions

What are the legal obligations once a petition is received?

- **Schedule and hold a public hearing**
- **Review the petition**
- **Vote on whether or not to grant the petition, making findings as needed**
- **If denied, adopt finding of fact upon which a denial is based**
- **Develop and adopt an MOU, if charter granted**
- **Begin supervisorial oversight, if charter granted**

Charter Petition Review

A high-quality review process:

Results in authorizing charters for petitioners who have demonstrated a strong capacity for establishing and operating a quality charter school

- Verify that the petition contains all required elements
- Follow consistent procedures
- Be rigorous and timely
- Consider developing a checklist to assist in this process

Charter Petition Signature Requirements

- Start-Up Charter School
 - 50% of parents or teachers representing at least half of the projected enrollment of the charter school in its first year of operation
- Conversion Charter School
 - Signed by not less than 50% of the permanent status teachers to be employed during its first year of operation
- A signature on the petition represents a meaningful interest by a parent in having a student attend or a meaningful interest by a teacher in teaching at the proposed charter school

Charter Petition Review Process Timelines: From Date of Receipt of Complete Petition

District or Appeal to COE

- 30 days: Public Hearing
- 60 days: Board Decision*

Countywide

- 60 days: Public Hearing
- 90 days: Board Decision*

*30-day extension for board decision, if agreed upon by petitioner and local educational agency (LEA)

Review Process: Petition Must Contain Reasonably Comprehensive Descriptions of 15+ Education Code Elements

1. Description of Educational Program
2. Method for Measuring Student Progress
3. Measurable Pupil Outcomes
4. Governance Structure
5. Employee Qualifications
6. Health and Safety Procedures
7. Racial and Ethnic Balance
8. Admission Requirements
9. Annual Independent Financial Audits
10. Suspension and Expulsion Procedures
11. Retirement Coverage
12. Public School Attendance Alternatives
13. Postemployment Rights of Employees
14. Dispute Resolution Procedures
15. Procedures for Closing

Review Process: Petition Must Contain Reasonably Comprehensive Descriptions of 15+ Education Code Elements

- Sound Educational Practice
- Demonstrably Likely to Implement the Program
- Required Number of Signatures
- Affirmation of Specified Conditions
- Standards, Assessments, and Parent Consultation
- Employment is Voluntary
- Pupil Attendance is Voluntary
- Effect on Authorizer and Financial Projections
- Academically High-Achieving Pupils
- Teacher Credentialing
- Transmission of Audit Report

What Must a Charter Petition Include?

Among other things:

- Identify a single charter school that will operate within the geographic boundaries of the district
- May propose to operate in multiple locations in the district as long as they are identified in the petition
- If a charter school is unable to locate within the jurisdiction of the authorizing district, it can locate in another district within that county – advance notification to the district of location is required prior to approval of the petition
- The charter school must serve all grade levels of the authorizing district before it may serve students in other grade levels
- New charter petitions must include a description of the annual goals and actions in the eight state priorities defined in E.C. 52060 (E.C. 47605 and 47605.6)

Educational Program Requirements

California Code of Regulations (CCR), Title 5, Subchapter 19 - Charter Schools, Article 2 – General Provisions, describes the criteria for review and approval of charter school petitions

Section 11967.5.1(b) of the CCR defines several factors that determine whether a charter petitioner has “an unsound educational program” under E.C. 47605(b)(1)

- The program that is described presents the likelihood of physical, educational, or psychological harm to the affected pupils
- The program that is described is not likely to be of educational benefit to the pupils who attend
- For petition renewals, the charter has not met the standards for renewal, or the charter school has not met the measurable pupil outcomes

Evaluation of Successful Program Implementation

Section 11967.5.1(c) of the CCR defines several factors that determine whether a charter petitioner is “demonstrably unlikely to successfully implement the program” under E.C. 47605(b)(2)

Considerations include:

- Past history of the petitioner in charter schools or other educational agencies (public or private) deemed unsuccessful
- Lack of familiarity of the petitioner with the content of the petition or legal requirements of charter schools
- The presentation of an unrealistic financial and operational plan for the proposed charter school

Administrative Requirements

Sound administrative and financial practices are essential to the success of a charter school.

Requirements for Administrative Services

Under CCR, Section 11967.5.1(c)(3)(A), the petition should contain:

- A description of the structure for providing administrative services, including at a minimum personnel, accounting, and payroll that reflects an understanding of school business practices and expertise to carry out necessary administrative services; or a reasonable plan and timeline to develop and assemble those practices and expertise
- A description of criteria and procedures used to select contractors that demonstrates necessary expertise for contracted services

Financial Administration Requirements

Under CCR, Section 11967.5.1(c)(3)(B), an unrealistic financial and operational plan for the proposed charter exists when the charter or supporting documents do not adequately include:

1. **At a minimum, the first-year operational budget, start-up costs, and cash flow, and financial projections for the first three years**
2. **In the operational budget, reasonable estimates of all anticipated revenues and expenditures necessary to operate the school including, but not limited to, Special Education, based, when possible, on historical data from schools or school districts of similar type, size, and location**
3. **Budget notes that clearly describe assumptions on revenue estimates, including, but not limited to, the basis for average daily attendance (ADA) estimates and staffing levels**

Core Components

- **Budget**
- **Multiyear Financial Projection**
- **Cash Flow Projection**
- **Balance Sheet**

A Petition Has Been Approved – Now What?

Oversight Responsibility

- The charter school's authorizing agency is responsible for **adequate and appropriate oversight**, including determining if a charter school is following **prudent business practices and generally accepted accounting principles** when accounting for revenues and expenditures and preparing financial reports
- Remember, to assess the fiscal condition of charter schools, the chartering authority can request any financial information in addition to the aforementioned reports
- Much of this can be **documented in an MOU**

Authorizer Oversight

E.C. 47604.32 (d) – Authorizing entities must monitor the fiscal condition of charter schools

- E.C. **doesn't say how** – the **details are left to be determined** by the authorizer and the charter school and should be spelled out in your charter petition and/or **MOU before authorization**
- Starts as soon as **the petition is approved**; there could be start-up loans or other grants
- Oversight includes **pupil performance, fiscal accountability, and legal compliance**
- Should be treated as that **second set of eyes** to help ensure success
- Should be **sufficient and adequate**
- Should be **documented** – consider FCMAT's checklist

Authorizer Oversight

- **Identify at least one staff member** as a contact person for the charter school
- **Visit** each charter school **at least annually**
- Ensure that the **charter school complies with all reports** required of charter schools by law, including the annual Local Control and Accountability Plan (LCAP) update
- **Monitor the fiscal condition** of each charter school under its authority.
- **Provide timely notification to the CDE** if any of the following circumstances occur or will occur:
 1. A renewal of the **charter is granted or denied**.
 2. The **charter is revoked**.
 3. The **charter school will cease operation for any reason**.

Oversight – Spell It Out

At a minimum charter schools must:

- Prepare an LCAP by July 1
- Adopt a budget by July 1
- Complete First and Second Interim reports by **December 15** and **March 15** of each year
- Submit **Unaudited Actuals**, due by **September 15**
- Submit **audited financial statements** annually by **December 15**

Oversight Considerations

- Establish team approach
- Maintain active and ongoing contact with charter school to ensure compliance with **the requirements established in the charter petition, MOU, or other local agreements**
- **Support the successful establishment** of the charter school
- Evaluate both educational and financial progress regularly during the year, as well as annually
- Perform periodic site visits
 - No requirement to schedule these visits
- Verify compliance with charter, MOU, and law
 - Document your actions when you work to resolve issues

And Never Forget . . .

Strong proactive oversight is essential for pupil performance, fiscal accountability, and legal compliance.

Don't wait for a problem to arise!

Reimbursement for Oversight

- The chartering agency may charge an “oversight fee” for the actual costs of supervision, not to exceed 1% of a charter school’s applicable revenues (**E.C. 47613[a]**)
 - **Exception:** Limit becomes up to 3% of the charter school’s revenue if the charter school obtains substantially rent-free facilities from the authorizer (but still cannot exceed actual costs)
 - **Recommendation:** Include provision in MOU
 - **Revenue of the charter school** is defined as the amount received in the current fiscal year from the Local Control Funding Formula (LCFF) (base grant + supplemental grant + concentration grant + Targeted Instructional Improvement Grant + home-to-school transportation)

Memorandum of Understanding

What is a Memorandum of Understanding?

- Supplements the charter petition and **should be approved in conjunction with the charter petition**
 - Once signed, the MOU is a **binding contract**
- Provides **more detail** regarding the **authorizer's conditions** of authorization, operational, and fiscal requirements
- Enforced as part of the charter and **supersedes any inconsistent language in the charter petition**
- **Not required by law** . . . but why wouldn't you want one . . . **this is your protection if you develop it correctly**

Memorandum of Understanding

A well thought out MOU:

- Clarifies expectations for how the school will operate in a variety of areas
- Acknowledges that the day-to-day operation of the school is appropriately carried out by the faculty and staff of the school
- Outlines what the school can expect from the authorizer
- Outlines what the authorizer expects from the charter school
- Addresses matters related to the operation of the school and to the effective oversight of the school, which go beyond the provisions included in the school's charter

Memorandum of Understanding

- Provides guidance on the oversight policies and procedures of the authorizer
- Clearly defines the obligations of each party in specific, objectively definable terms whenever possible
- Defines which party has final authority where objective standards are not feasible, e.g., “equitable” (E.C. 47646)

Charter Petition Denials and Appeals, Renewals, and Revocations

Grounds for Denial

E.C. 47605 (b) specifies that an LEA shall not deny the approval of a charter petition unless it makes written factual findings, specific to the particular petition, that:

- The charter school presents an unsound educational program
- The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition
- The petition does not contain the required number of signatures
- The petition does not contain an affirmation of each of the conditions described in E.C. 47605(b)

Grounds for Denial

- The petition does not contain reasonably comprehensive descriptions of the required 15 elements
- The petition does not contain a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code

When a Petition Is Denied by a District

- If the COE receives a petition on appeal:
 - There is a strict timeline for action
 - County boards of education are required by regulation to either grant or deny the appeal
 - Countywide charter petitions that are denied cannot be appealed

When a Petition Is Denied by a District

The COE must receive:

- A complete copy of the petition as it was denied
- The denied petition no later than 180 calendar days after denial
- Evidence of the district's governing board's action to deny the petition and factual findings
- Signed certification that petitioner(s) will comply with all applicable laws
- Description of changes to show the county board as chartering entity, as applicable

The COE will review the denied petition in accordance with E.C. 47605(b)

When a Petition Is Denied by a COE

- If a charter school petition is denied by a COE upon appeal, a charter school petitioner may appeal to the SBE
 - If a petition is submitted to the SBE on appeal, the petition must be received no later than 180 days after the denial by the COE, or the petition shall not be acted upon by the SBE
 - If the SBE does not take action upon a petition appealing denial within 120 days of receipt, the decision for denial by the governing board of the school district is subject to judicial review
 - This deadline may be extended by 30 days upon agreement by both parties

When a Charter Is Brought for Renewal

- The renewal needs to include same elements as the initial charter petition that was approved
 - **Except new signatures are not required**
- In addition, the authorizer needs to be sure the charter has successfully implemented the program set forth in the petition

Revocation

- An authorizing agency may revoke a charter school's charter for **material violations of any of the conditions, standards, or procedures set forth in the charter, including:**
 - Engaging in fiscal mismanagement that jeopardizes the charter school's financial stability
 - **Failure to meet generally accepted accounting principals**
 - Illegal or substantially improper use of charter school funds for the personal benefit of any officer, director, or fiduciary of the charter school
 - **Substantial and sustained departure from measurably successful academic practices that would deny the educational development of the school's pupils**
 - Violating any provision of the law

Factors Contributing to Failure

- Lack of knowledge about school finance and business
- Lack of appropriate accounting practices
- Lack of financial management
- Uncontrolled spending
- Focusing energies on the mission, vision, and educational program such that less attention is paid to a school's fiscal management

NEVER FORGET:

Sound financial management, including understanding, establishing, implementing, and monitoring proper internal controls and accounting policies and procedures is essential to a charter school's ability to achieve its mission.

Funding Considerations and Accountability

Elements of LCFF

- **LCFF allocates funds to charter schools in the same way as for school districts**
 - **However, concentration grants for charter schools will be limited to no more than the concentration grant increase provided to the school district where the charter school is physically located (E.C. 42338.02[f][2][A])**
 - **If a charter school is physically located in more than one school district, then utilize the percentage of unduplicated pupils of the school district with the highest percentage of unduplicated pupils**

LCFF and Supplemental/Concentration Grants

- Funding allocated through base grants are flexible and can be used for any educational purpose
- Funding allocated through supplemental and concentration grants must be used to increase or improve services for unduplicated pupils
 - Charter schools must provide evidence in the LCAP to demonstrate that funding apportioned on the basis of unduplicated pupils is being used to support those pupils
 - Supplemental and concentration grant dollars can be used for charterwide purposes under certain conditions

LCFF and Supplemental/Concentration Grants

- Charter schools must demonstrate increased or improved services for unduplicated pupils by using funds to upgrade the entire educational program for the charter school
- In order to expend supplemental and concentration grant funds on a charterwide basis, the charter school must:
 - In the LCAP, identify those services that are being funded and provided on a charterwide basis
 - In the LCAP, describe how such services are principally directed toward, and effective in, meeting the charter school's goals for its unduplicated pupils in the state and any local priority areas, as applicable

LCAP Requirements

LCAP Requirements	School Districts and COEs	Charter Schools				
Eight State Priorities	<ul style="list-style-type: none"> All eight state priorities COEs – two additional state priorities 	Only include those priorities that apply for the grade levels served or the nature of the program operated				
Consultation	<table border="0"> <tr> <td> <ul style="list-style-type: none"> Teachers Principals Administrators Parents Pupils </td> <td> <ul style="list-style-type: none"> Other School Personnel Local Bargaining Units </td> </tr> </table>	<ul style="list-style-type: none"> Teachers Principals Administrators Parents Pupils 	<ul style="list-style-type: none"> Other School Personnel Local Bargaining Units 	<table border="0"> <tr> <td> <ul style="list-style-type: none"> Teachers Principals Administrators Parents </td> <td> <ul style="list-style-type: none"> Pupils Other School Personnel </td> </tr> </table>	<ul style="list-style-type: none"> Teachers Principals Administrators Parents 	<ul style="list-style-type: none"> Pupils Other School Personnel
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Review and Comment	<ul style="list-style-type: none"> Parent Advisory Committee English Learner Parent Advisory Committee Superintendent must respond in writing to comments received 	No review and comment requirements				
LCAP Template	Use template as provided with each section filled in	May adjust to align with the term of the charter school's budget as submitted to the authorizer, typically one year				

LCAP Requirements

LCAP Requirements	School Districts and COEs	Charter Schools
Use of Supplemental and Concentration Grants	Funds can be used on a districtwide or schoolwide basis; if unduplicated count is below 55% or 40%, respectively, then additional justification is required	No threshold to use charterwide <u>or</u> countywide; must simply provide justification
Adoption	During a public meeting held after, but not on the same day as, the public hearing	No public meeting required, but encouraged
Posting Requirements	<ul style="list-style-type: none"> Any LCAP approved by the governing board of a school district must be posted on the district's website Any LCAP approved by the county board of education and all LCAPs submitted by school districts must be posted by the county superintendent 	<ul style="list-style-type: none"> No posting of LCAP by charter schools or their chartering authorities required, but encouraged County superintendents not required to post charter school LCAPs, but encouraged
Approval	<ul style="list-style-type: none"> District LCAP must be approved by the county superintendent COE LCAP must be approved by the State Superintendent of Public Instruction 	Must be submitted to chartering authority and county superintendent, but not approved by either party

Payments in Lieu of Property Taxes

- “Sponsoring” districts must make payments “in lieu of property taxes” to charter schools (E.C. 47635 and 47632[i]):

School district If granted by a school district	School district that initially denied the charter petition If granted by a COE on appeal after denial by a school district	SBE designated LEA or LEA that initially denied the charter petition¹ If granted by the SBE after having been previously denied by an LEA ¹ If one was not designated by SBE	District of residence If attending a county-sponsored charter school* or if residing in a basic aid district and attending countywide charter school *When eligible to attend solely as a result of a parental request
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Payments in Lieu of Property Taxes

- In lieu is paid by the sponsoring district – even for pupils who reside in other districts
- In lieu property tax transfer is equal to the lesser of:
 - The average amount of property taxes per ADA (calculated by dividing the school district’s total property taxes by the sum of district and charter school’s ADA) multiplied by the charter school’s ADA
 - The charter school’s target LCFF base grant (cap applies primarily for basic aid districts)

Reference: E.C. 47635

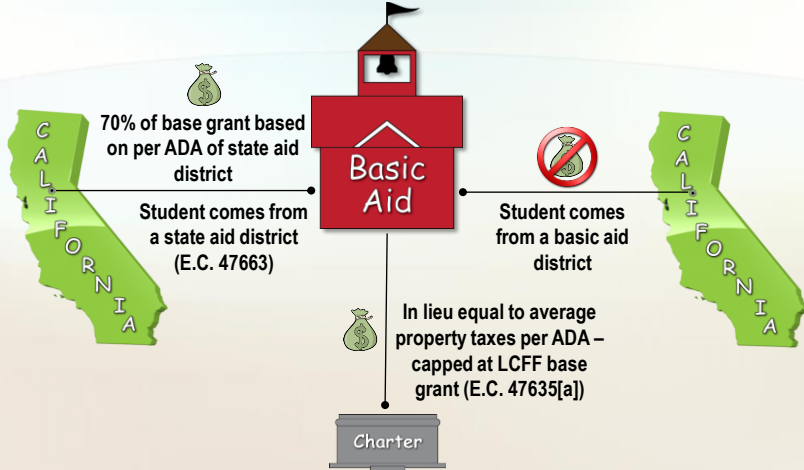
Payments in Lieu of Property Taxes

- State aid backfills amount paid by “state aid” districts – partially backfills basic aid districts in some cases
- Basic aid districts that are sponsoring districts must make payments in lieu of property taxes for all charter school ADA
 - Resident and nonresident students
 - Remember that this payment is capped at the charter school LCFF base grant
- If pupils attending a charter school sponsored by a basic aid district reside in a state aid district, the basic aid district is given 70% of the base grant per ADA of the state aid district
 - No funds are transferred for students from another basic aid district

Payments in Lieu of Property Taxes

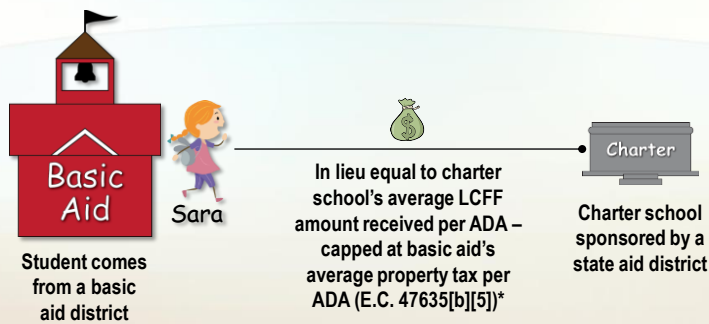
- However, if pupils attending a charter school sponsored by a state aid district reside in a basic aid district, the basic aid district must transfer to the state aid district funds equivalent to the full LCFF grant amount per ADA (E.C. 47635[b][5])
 - Including base, supplemental, and concentration grant dollars, as well as funds allocated pursuant to the Home-to-School Transportation program and the Targeted Instructional Improvement Block Grant program
 - Not to exceed the average property tax per ADA of the basic aid district
 - While this is written in statute, the CDE states that it is not implemented in practice

Payments in Lieu of Property Taxes



Charter school sponsored by a basic aid district

Payments in Lieu of Property Taxes



*While written in statute, the CDE states that it does not happen in practice. The state aid district in which the charter resides is responsible for the in lieu property tax transfer.



Charter School Facilities

Location

Charter schools are required to locate within the geographic boundaries of their chartering entity

If approved by the SBE on appeal, they must locate within the geographic boundaries of the chartering entity that initially denied the petition

However, if a charter school is unable to locate within the geographic boundaries of the chartering entity, the charter school may establish one site outside the boundaries of the school district, but within the county within which the school district is located, if:

A charter school that submits a petition directly to a county board may locate only within the geographic boundaries of the county in which the county board has jurisdiction

The school district where the charter school proposes to locate is notified in advance of the charter petition approval

The county superintendent of schools is notified before the charter commences operations

Either the charter school has attempted to locate the entire program at a single site/facility but is unable to do so in the area where it chooses to locate or the site is needed for temporary use during a construction or expansion project

Reference: E.C. 47605.1



Location

A charter school may establish a resource center, meeting space, or satellite facility in the county adjacent to that in which the charter school is authorized if:

The facility is used exclusively for the educational support of pupils who are enrolled in nonclassroom-based independent study; and

The charter school provides its primary educational services in, and a majority of its pupil are residents of, the county in which the charter school is authorized

Exemptions apply for charter schools providing instruction in partnership with:

The federal Workforce Investment Act of 1998

Federally affiliated Youth Build program

Federal job corps training or instruction provided pursuant to an MOU with a federal provider

The California Conservation Corps or local conservation corps certified by the California Conservation Corps

Instruction provided to juvenile court school pupils who are placed in a residential facility

Reference: E.C. 47605.1

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In the Courts and the News

Anderson v. Shasta*

Nonclassroom-based charters have interpreted E.C. 47605.1 to mean they can locate resource centers outside of their authorizing districts, but within the county

Shasta opened a resource center within Shasta County, but outside of its authorizers boundaries—within Anderson

Anderson filed a complaint challenging the location of the resource center as it did not comply with the geographic limitations in E.C. 47605.1

Shasta argued that the specific Education Code did not apply to nonclassroom-based charters and that the code does not prohibit resource centers within the county

The Third Appellate District disagreed and stated that the geographic limitations apply to all charter schools and that the Education Code prohibits in-county resource centers located outside of the authorizing district boundaries

The California Supreme Court denied a petition to review the decision and a request for depublication of the decision – therefore, the appellate court's decision stands

*Anderson Union High School District v. Shasta Secondary Home School

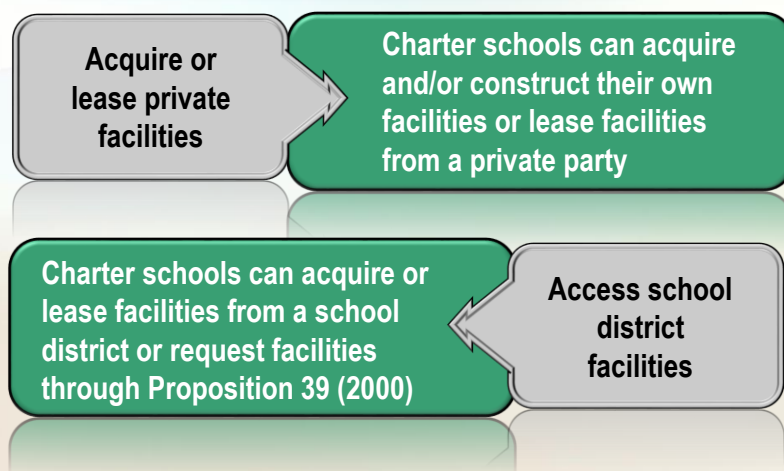
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In the Courts and the News

- What now?
 - Charter schools operating outside of your chartering authority boundaries but within the same county were required to either cease operations or submit a charter petition to the district in which the facilities were located or to the county, if applicable
 - SBE provided a waiver process to allow charter schools time to comply so as to minimize disruption to students and the education program
 - The waiver process was temporary and only available to existing, noncompliant resource centers of nonclassroom-based charter schools
 - Waivers expired on June 30, 2018

Facilities Options



Proposition 39 (2000) Facilities

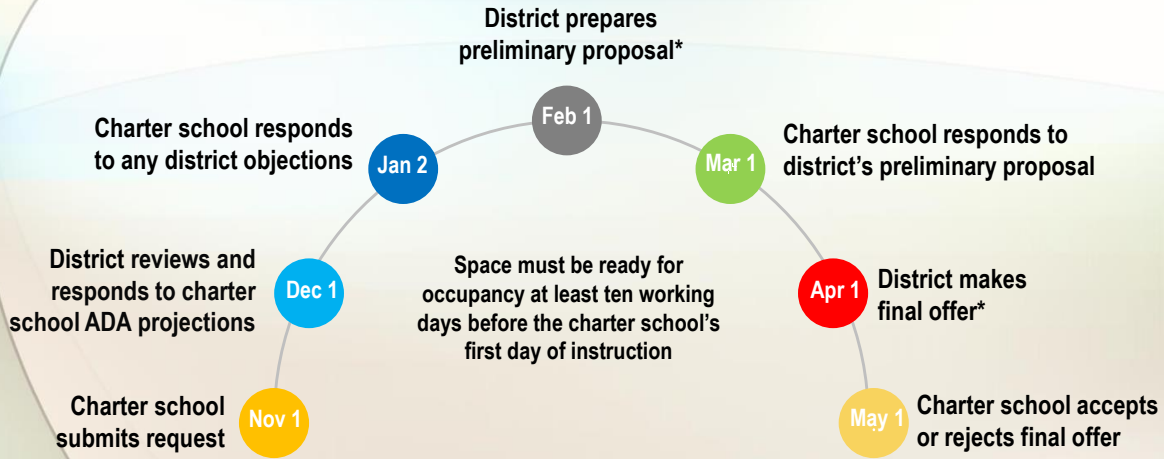
Proposition 39 (2000) Facilities

- Proposition 39's (2000) provisions relating to charter schools are based on two premises:
 - Students in public charter schools are entitled to reasonable access to a safe and secure learning environment
 - Public school facilities should be shared fairly among all public school pupils, including those in charter schools
- Proposition 39 (2000) requires that school districts provide reasonably equivalent, contiguous, furnished, and equipped space to charter schools serving in-district students in classroom-based instruction
 - Must provide sufficient facilities to accommodate all of the charter school's in-district students

District Obligations

- Obligation is to house classroom ADA, not ADA in nonclassroom-based programs (e.g., independent study), of any charter school that is “operating” in your district
 - This applies even if the charter school is authorized by a different entity than the school district from which it is requesting facilities
- Education Code states that a school district shall make facilities available based on the charter school’s projection of in-district classroom ADA
- Facility requests based on projections of fewer than 80 in-district students may be denied

Timeline for Facilities Requests



*Board input recommended



Alternatives to Proposition 39

Alternatives to Proposition 39 (2000)

- For many districts, the largest and most valuable asset is its real property
 - And for just as many, this asset is not being effectively utilized
- Engaging in strategic asset management will allow a school district to determine if there are surplus and/or underutilized real property that may be more strategically repurposed to serve the current and future school facilities needs of the community
- Prior to making space available to a charter school, a school district should:
 - Identify which sites and facilities will be required in the future, which will not be needed, and which may be needed
 - Develop a plan for each site

Alternatives to Proposition 39 (2000)

01 Surplus Property – Sale or Lease

02 Redevelopment of Vacant or Underutilized Property

03 Other Alternatives

Alternatives to Proposition 39 (2000)

01 Surplus Property – Sale or Lease

- While the law requiring the sale or lease of surplus property to charter schools expired on July 1, 2016, the expiration of the law does not prohibit a school district from selling or leasing property to charter schools
- Some school districts have made properties not formally declared surplus, but not fully utilized by the district, available to charter schools

Alternatives to Proposition 39 (2000)

02

Redevelopment of Vacant or Underutilized Property

- Providing charter schools with the opportunity to redevelop vacant or underutilized sites provides benefits to both the district and the charter school
 - Properties that were a drain to the district, both financially and politically, can once again become a useful asset
 - Properties provide a viable and sometimes less controversial alternative to Proposition 39 (2000)
 - Has the potential to garner sustainable revenue streams and/or decrease district expenses

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Alternatives to Proposition 39 (2000)

03

Other Alternatives

- Zoning exemption
- Provide fixtures and equipment to facilitate the occupancy of private facilities
- Establish a matching grant program to provide funding to acquire and construct or modernize existing private or public facilities
- Nothing prohibits the implementation of a mutually agreed-upon alternative (5 CCR 11969.1[b])
 - For example, funding in lieu of facilities in an amount commensurate with the local rental or lease costs for facilities reasonably equivalent to district facilities

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Advice to School Districts

- **School districts should have policies and procedures in place to ensure equitable distribution of real property**
 - **Programs should be established or requests should be considered with the broader picture in mind**
 - **In other words, if approached by a charter school, ensure that the opportunity, when appropriate, is provided to all charter schools**
 - **Requests for proposals should be utilized**
 - **Template language should be developed for agreements to ensure fairness and guard against the perception of favoritism**

Thank You for Attending!

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