



APRIL 2003 AGENDA

SUBJECT: 2002-03 (and beyond) determination of funding requests from charter schools pursuant to Senate Bill 740 (Chapter 892, Statutes of 2001), specifically Education Code Sections 47612.5 and 47634.2.	<input checked="" type="checkbox"/> ACTION
	<input type="checkbox"/> INFORMATION
	<input type="checkbox"/> PUBLIC HEARING

RECOMMENDATION:

Take action on 2002-03 (and beyond) determination of funding requests from charter schools pursuant to Education Code Sections 47612.5 and 47634.2, based upon the review of the requests and the recommendations prepared by the Advisory Commission on Charter Schools and the California Department of Education.

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Summary of Previous State Board of Education Discussion and Action.

Senate Bill 740 (Chapter 892, Statutes of 2001) enacted provisions of law calling upon charter schools to prepare and the State Board to act upon determination of funding requests relating to pupils who receive nonclassroom-based instruction (in excess of an amount of nonclassroom-based instruction that the statute allows as part of classroom-based instruction). The State Board adopted regulations (in keeping with SB 740) to define certain terms and establish criteria for the evaluation of determination of funding requests. The State Board also established the Advisory Commission on Charter Schools to provide (among other things) recommendations on the implementation of the provisions of SB 740.

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Summary of Key Issue(s).

Under SB 740, an approved determination of funding is required (beginning in 2001-02) in order for a charter school to receive funding for pupils receiving nonclassroom-based instruction (in excess of the amount of nonclassroom-based instruction that the statute allows as part of classroom-based instruction). Beginning in 2002-03, determination of funding requests are allowed for multiple years. All requests in 2001-02 were for that year only.

The Advisory Commission on Charter Schools considered a number of 2002-03 (and beyond) determination of funding requests at its meeting on March 19, 2003.

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Fiscal Analysis (as appropriate).

A determination of funding request approved at less than the 100 percent level may result in slightly reduced apportionment claims to the state. The reductions in claims would result in a proportionate reduction in expenditure demands for Proposition 98 funds. All Proposition 98 funds, by law, must be expended each fiscal year. Thus, a reduction in apportionment claims may be more accurately characterized as an expenditure shift than as absolute savings under typical circumstances. However, if total claims for Proposition 98 funding are greater than available funds in a given year, then the reduction in apportionments attributable to nonclassroom-based instruction may be regarded as a reduction in the deficit for that year.

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Background Information attached to this Agenda Item.

The listing of specific recommendations is attached. Information submitted by each school and the analysis of that information prepared by CDE staff are available for public inspection at the State Board Office.

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The tables below reflect the recommendations of the Advisory Commission on Charter Schools and California Department of Education staff regarding 2002-03 (and beyond) determination of funding requests submitted by charter schools. Except as noted, all Advisory Commission recommendations were by unanimous vote.

RECOMMENDED FOR 100 PERCENT FOR ONE YEAR ONLY

<b>Charter #</b>	<b>Charter School Name</b>	<b>Recommended Level</b>	<b>Recommended Year(s)</b>
#56	Elise P. Buckingham Charter School	100%	One year only 2002-03
#67	Home Tech Charter School	100%	One year only 2002-03
#155	Paradise Charter Network	100%	One year only 2002-03
#163	New Millennium Institute of Education	100%	One year only 2002-03
#170	Pacific Coast Charter School	100%	One year only 2002-03
#179	Santa Barbara Middle Charter School	100%	One year only 2002-03
#199	Classical Academy	100%	One year only 2002-03
#247	Pacific View Charter (Oceanside USD)	100%	One year only 2002-03
#250	Charter Home School Academy	100%	One year only 2002-03
#277	Pacific View Charter (Loleta ESD)	100%	One year only 2002-03
#320	Long Valley Charter School	100%	One year only 2002-03
#375	La Vida Independent Study Charter	100%	One year only 2002-03
#392	Gold Rush Home Study Charter	100%	One year only 2002-03
#419	Dehesa Charter School	100%	One year only 2002-03
#423	One Charter School	100%	One year only 2002-03
#472	Central Coast Virtual Academy	100%	One year only 2002-03
#493	California Virtual Academy-San Diego	100%	One year only 2002-03
#494	California Virtual Academy-Kern	100%	One year only 2002-03
#495	California Virtual Academy-Jamestown	100%	One year only 2002-03
#D2	Kingsburg Charter District	100%	One year only 2002-03

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The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the schools met the minimum criteria specified in regulation for the 100 percent level (taking into account the mitigating factors in the cases of Elise P. Buckingham Charter School and Home Tech Charter School) and (2) the schools 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 schools to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function.

RECOMMENDED FOR 100 PERCENT FOR TWO YEARS

<b>Charter #</b>	<b>Charter School Name</b>	<b>Recommended Level</b>	<b>Recommended Year(s)</b>
#203	Lammersville Charter School	100%	Two years 2002-03 and 2003-04
#310	Orchard View Charter School	100%	Two years 2002-03 and 2003-04
#393	Delta Charter High School*	100%	Two years 2002-03 and 2003-04

The reasons justifying a level higher than 80 percent in 2002-03 and higher than 70 percent in 2003-04 are that (1) the schools met the minimum criteria specified in regulation for the 100 percent level (taking into account mitigating factors in the case of Delta Charter High School) and (2) the schools 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 schools to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function.

\* This is a second determination of funding request for Delta Charter High School (#393). The school already has an approved single-year (2002-03) determination of funding at the 100% level.

RECOMMENDED FOR 80 PERCENT FOR ONE YEAR ONLY

<b>Charter #</b>	<b>Charter School Name</b>	<b>Recommended Level</b>	<b>Recommended Year(s)</b>
#20	Santa Barbara Elementary Charter	80%	One year only 2002-03
#61	Choice 2000 On-Line Charter	80%	One year only 2002-03
#88	Mid-Valley Alternative Charter	80%	One year only 2002-03
#285	Gorman Learning Center	80%	One year only 2002-03
#324	HomeSmartKids of Knightsen*	80%	One year only 2002-03

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The 80 percent level, as recommended, is consistent with the level specified in statute for 2002-03. No reasons justifying a higher or lower level are necessary.

\* One member of the Advisory Commission voted against this recommendation.

RECOMMENDED FOR 70 PERCENT FOR ONE YEAR ONLY

<b>Charter #</b>	<b>Charter School Name</b>	<b>Recommended Level</b>	<b>Recommended Year(s)</b>
#51	Charter Oak School	70%	One year only 2002-03
#262	California Charter Academy	70%	One year only 2002-03
#297	California Charter Academy-Orange	70%	One year only 2002-03
#377	California Charter Academy-Snowline	70%	One year only 2002-03
#379	One Step Up Charter Academy	70%	One year only 2002-03

The reasons justifying a level lower than 80 percent in 2002-03 are that (1) the schools are below the minimum criteria specified in regulation for the 80 percent level and (2) no mitigating factors reasonably overcome the failure to meet the minimum criteria.

RECOMMENDED FOR POSTPONEMENT OF CONSIDERATION

<b>Charter #</b>	<b>Charter School Name</b>	<b>Recommended Level</b>	<b>Recommended Year(s)</b>
#13	Options for Youth-Victor Valley*	N/A	N/A
#105	Options for Youth-Upland*	N/A	N/A
#117	Options for Youth-San Gabriel*	N/A	N/A
#130	Options for Youth-Burbank*	N/A	N/A
#139	Options for Youth-Mt. Shasta*	N/A	N/A
#217	Options for Youth-San Juan*	N/A	N/A
#188	Opportunities for Learning-Hacienda La Puente**	N/A	N/A
#214	Opportunities for Learning-William S. Hart**	N/A	N/A
#402	Opportunities for Learning-Baldwin Park**	N/A	N/A
#463	Opportunities for Learning-Capistrano***	N/A	N/A

It is recommended that the State Board postpone action on the determination of funding requests for these schools pending further consideration by the Advisory Commission of the possibility of recommending funding levels below 70 percent. The postponement will allow time for the submission of additional information by the affected schools and for consideration of that information by the Advisory Commission.

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\* The recommendation regarding these schools was approved by a vote of 5-2-1. Advisory Commission members Conry and Sterling voted against the motion, and member Frost did not vote.

\*\* The recommendation regarding these schools was also approved by a vote of 5-2-1. Advisory Commission members Conry and Sterling voted against the motion, and member Barr did not vote. [An earlier vote on a recommendation to approve determinations of funding for each of these schools at the 50 percent level for one year failed passage by a vote of 4-4.]

\*\*\* The recommendation regarding this school was approved by a vote of 7-1. Advisory Commission member Conry voted against the motion.

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Information regarding each of the above-mentioned determination of funding requests is available for public inspection at the State Board Office.