



JANUARY 2004 AGENDA

SUBJECT: 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, and California Code of Regulations, Title 5, Sections 11963 to 11963.6, inclusive: Retroactive approval for 2002-03, and approval for 2003-04 (and beyond).	<input checked="" type="checkbox"/> ACTION
	<input type="checkbox"/> INFORMATION
	<input type="checkbox"/> PUBLIC HEARING

RECOMMENDATION:

Retroactively approve one 2002-03 determination of funding request from a charter school pursuant to Education Code Sections 47612.5 and 47634.2, and California Code of Regulations, Title 5, Sections 11963 to 11963.6, inclusive, based upon the recommendation of the Advisory Commission on Charter Schools and the California Department of Education.

Approve various 2003-04 (and beyond) determination of funding requests from charter schools pursuant to Education Code Sections 47612.5 and 47634.2, and California Code of Regulations, Title 5, Sections 11963 to 11963.6, inclusive, based upon the recommendations of the Advisory Commission on Charter Schools and the California Department of Education.

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 regulations became operative in November 2003.

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). All determinations made in 2001-02 were for that year only.

Based upon recommendations of the Advisory Commission on Charter Schools and the California Department of Education, the State Board retroactively approved 2002-03 (and beyond) determination of funding requests at the November 2003 meeting. Many were for one year, though some were for multiple years.

This agenda item presents one more retroactive determination of funding request for 2002-03, as well as a number of determination of funding requests for 2003-04 (and beyond).

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.

Background Information attached to this Agenda Item

The listing of specific recommendations is attached. More information regarding individual schools' determinations of funding requests is available for public inspection in the Charter Schools Division of the California Department of Education.

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2002-03 ONLY

The following determination of funding request is recommended for retroactive approval by the State Board of Education for one year only (2002-03) at the 100 percent level. 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 determination level was 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

Charter Number	Charter Name	2002-03	2003-04	2004-05
#24	Vantage Point Charter School	100%	N/A	N/A

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2003-04 (AND BEYOND)

The following determination of funding request is recommended for approval by the State Board of Education for three years (2003-04, 2004-05, and 2005-06) at the 100 percent level. The reasons justifying a level higher than 70 percent in 2003-04 and beyond 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 determination 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.

Charter Number	Charter Name	2003-04	2004-05	2005-06
#136	Sierra Charter School	100%	100%	100%

The following determination of funding request is recommended for approval by the State Board of Education for two years (2003-04 and 2004-05) at the 100 percent level. The reasons justifying a level higher than 70 percent in 2003-04 and beyond 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 determination 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.

Charter Number	Charter Name	2003-04	2004-05	2005-06
#354	Forest Charter School	100%	100%	N/A

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The following determination of funding requests are recommended for approval by the State Board of Education for one year only (2003-04) at the 100 percent level. The reasons justifying a level higher than 70 percent in 2003-04 are that (1) the schools met the minimum criteria specified in regulation for the 100 percent level 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 determination 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.

Charter Number	Charter Name	2003-04	2004-05	2005-06
#26	Twin Ridges Home Study	100%	N/A	N/A
#165	Camptonville Academy	100%	N/A	N/A
#183	Academy for Career Education	100%	N/A	N/A
#255	Muir Charter School	100%	N/A	N/A
#267	Julian Charter School	100%	N/A	N/A
#282	Eagles Peak Charter School	100%	N/A	N/A
#285	Gorman Learning Center	100%	N/A	N/A
#356	Golden Valley Charter School	100%	N/A	N/A
#477	Connecting Waters Charter School	100%	N/A	N/A

The following determination of funding request is recommended for approval by the State Board of Education for one year only (2003-04) at the 85 percent level. The reasons justifying a level higher than 70 percent in 2003-04 are that (1) the school met the minimum criteria specified in regulation for the 85 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 85 percent funding determination level (but not the 100 percent 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.

Charter Number	Charter Name	2003-04	2004-05	2005-06
#63	Mountain Home Charter School	85%	N/A	N/A

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The following determination of funding requests are recommended for approval by the State Board of Education for one year only (2003-04) at the 70 percent level.

Since the 70 percent level is consistent with the level specified in statute for 2003-04, no reasons justifying a higher or lower level are necessary.

Charter Number	Charter Name	2003-04	2004-05	2005-06
#13	Options for Youth – Victor Valley	70%	N/A	N/A
#105	Options for Youth – Upland	70%	N/A	N/A
#117	Options for Youth – San Gabriel	70%	N/A	N/A
#130	Options for Youth – Burbank	70%	N/A	N/A
#139*	Options for Youth – Mt. Shasta*	70%*	N/A	N/A
#217*	Options for Youth – San Juan*	70%*	N/A	N/A
#188	Opportunities for Learning Charter School – Hacienda La Puente	70%	N/A	N/A
#214	Opportunities for Learning Charter School – Santa Clarita	70%	N/A	N/A
#402*	Opportunities for Learning Charter School – Baldwin Park*	70%*	N/A	N/A
#463*	Opportunities for Learning – Capistrano*	70%*	N/A	N/A

* CDE staff initially recommended the 100 percent level for one year only for these four schools, but ultimately, the State Superintendent’s designee on the Advisory Commission on Charter Schools supported the 70 percent level, and the CDE staff recommendation was modified accordingly.