



MAY 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.

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.

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 April 11, 2003.

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. 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.

Attachment To Agenda Item Regarding
2002-03 (And Beyond) Determination Of Funding Requests
 May 2003

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. All Advisory Commission recommendations were by unanimous vote of the members present.

RECOMMENDED FOR 100 PERCENT FOR ONE YEAR ONLY

Charter #	Charter School Name	Recommended Level	Recommended Year(s)
#61	Choice 2000 On-Line Charter*	100%	One year only 2002-03
#69	Nevada City Charter School	100%	One year only 2002-03

[* Second determination of funding request intended to replace an existing determination of funding at the 80 percent level.]

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 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

Charter #	Charter School Name	Recommended Level	Recommended Year(s)
#19	Natomas Charter School*	100%	Two years 2002-03 and 2003-04

[* Second determination of funding request intended to replace an existing determination of funding at the 100 percent level for one year only (2002-03).]

The reasons justifying a level higher than 80 percent in 2002-03 and higher than 70 percent in 2003-04 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.

Attachment To Agenda Item Regarding
2002-03 (And Beyond) Determination Of Funding Requests
 May 2003

RECOMMENDED FOR 60 PERCENT FOR ONE YEAR ONLY

Charter #	Charter School Name	Recommended Level	Recommended Year(s)
#188	Opportunities for Learning-Hacienda La Puente	60%	One year only 2002-03
#214	Opportunities for Learning-William S. Hart	60%	One year only 2002-03
#402	Opportunities for Learning-Baldwin Park	60%	One year only 2002-03
#463	Opportunities for Learning-Capistrano	60%	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. The reason justifying a level lower than 70 percent is that taking into account the totality of the information received, the purposes for which the schools spent public revenues in 2001-02 do not warrant funding at the 70 percent level in 2002-03.

Charter #	Charter School Name	Recommended Level	Recommended Year(s)
#13	Options for Youth-Victor Valley	60%	One year only 2002-03
#105	Options for Youth-Upland	60%	One year only 2002-03
#117	Options for Youth-San Gabriel	60%	One year only 2002-03
#130	Options for Youth-Burbank	60%	One year only 2002-03
#139	Options for Youth-Mt. Shasta	60%	One year only 2002-03
#217	Options for Youth-San Juan	60%	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. The reason justifying a level lower than 70 percent is that taking into account the totality of the information received, the purposes for which the schools spent public revenues in 2001-02 do not warrant funding at the 70 percent level in 2002-03.

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