

**STAFF ANALYSIS AND PROPOSED FINDINGS OF FACT REGARDING REVIEW OF
ALPHA: CORNERSTONE ACADEMY PREPARATORY SCHOOL DISTRICT APPEAL RENEWAL PETITION**

January 15, 2020

Alpha: Cornerstone Academy Preparatory School (Cornerstone or CAPS) seeks approval to renew its independent, district appeal charter school serving students in grades K-8. Cornerstone was initially approved by Franklin-McKinley School District (FMSD) and opened in August of 2010. Cornerstone was renewed in 2015 by FMSD and FMSD also approved a material revision in 2016 to add 7-8 grades and change its governance structure to join Alpha Public Schools (APS). Cornerstone requested renewal for a term of five years from July 2020 through June 2025, however was denied renewal by FMSD on a 3-2 vote. Cornerstone is now appealing that decision to the Santa Clara County Board of Education (SCCBOE or County Board) and seeking to have SCCBOE as its authorizer. CAPS is located within the FMSD boundaries and currently serves approximately 540 students.

PROCEDURAL STATUS

The Charter Schools Department of the Santa Clara County Office of Education (County Office of Education or SCCOE) received a renewal charter Petition (Petition or Charter) on appeal, from CAPS on November 12, 2019. Education Code 47607(a)(1) requires that “each renewal shall be for a period of five years.” If the charter is renewed by the County Board, the new term of the Charter would begin on July 1, 2020, and run through and including June 30, 2025, and SCCBOE would become CAPS’s authorizer. Renewals and material revisions of district appeal charters are governed by the standards and criteria set forth in Education Code Section 47605 and 47607 and California Code of Regulations, Title 5, Section 11966.5.

On November 20, 2019, SCCBOE held a public hearing on the CAPS Renewal Petition. On November 21, 2019, SCCOE Staff conducted a site visit and held renewal interviews with CAPS parents, students, staff, board members and Alpha Public Schools as the charter management organization leadership (APS or CMO).

Per Education Code Sections 47605 and 47607 and California Code of Regulations, Title 5, Section 11966.5, the County Board has 60 days from receipt of the renewal application to act, which may be extended by an additional 30 days by mutual agreement. SCCOE and CAPS have mutually agreed in writing to extend the County Board’s time for acting on the renewal request through and including January 15, 2020. If the County Board does not approve or deny the appeal of the renewal petition within the agreed upon timeline, the charter petitioner may appeal the renewal to the State Board of Education.

SCCOE and CAPS developed a Memorandum of Understanding (MOU), which was signed by the Petitioner on January 6, 2020, which governs the respective fiscal, operational, and administrative responsibilities, legal relationships, and other matters not otherwise addressed or resolved by the terms of the Charter, pending any further direction or recommendations by the SCCBOE.

The complete appeal renewal Petition that the SCCBOE is acting on is attached to the agenda and is also available for review at: <https://www.sccoe.org/supoffice/charter-schools-office/Pending/Alpha%20Cornerstone%20Preparatory%20Academy%20Renewal%20Petition.pdf>

CRITERIA FOR RENEWAL OF A CHARTER PETITION

A petition submitted for renewal per Education Code Section 47607 shall be considered by the governing board upon receipt with all of the following requirements (California Code of Regulations, Title 5, Section 11966.5) for a “de novo” or fresh look review:

(1) A Determination of Pupil Academic Performance

Education Code Section 47607(b), establishes minimum required academic performance criteria for the renewal of charter schools that have been in operation for four years:

1. *Attained its Academic Performance Index (API) growth target in the prior year or in two of the last three years both schoolwide and for all groups of pupils served by the charter school.*
2. *Ranked in deciles 4 to 10, inclusive, on the API in the prior year or in two of the last three years.*
3. *Ranked in deciles 4 to 10, inclusive, on the API for demographically comparable schools in the prior year or in two of the last three years.*
4. (A) *The entity that granted the charter determines that the academic performance of the charter school is at least equal to the academic performance of the public schools that the charter school pupils would otherwise have been required to attend, as well as the academic performance of the schools in the school district in which the charter school is located, taking into account the composition of the pupil population that is served at the charter school.*
(B) *The determination made pursuant to this paragraph shall be based upon all of the following:*
 - (i) *Documented and clear and convincing data.*
 - (ii) *Pupil achievement data from assessments, including, but not limited to, the Standardized Testing and Reporting Program established by Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 for demographically similar pupil populations in the comparison schools.*
 - (iii) *Information submitted by the charter school.*
(C) *A chartering authority shall submit to the Superintendent copies of supporting documentation and a written summary of the basis for any determination made pursuant to this paragraph. The Superintendent shall review the materials and make recommendations to the chartering authority based on that review. The review may be the basis for a recommendation made pursuant to Section 47604.5.*
(D) *A charter renewal may not be granted to a charter school prior to 30 days after that charter school submits materials pursuant to this paragraph.*

State Level Data Availability

With the recent changes in assessment results, school rankings, and API growth calculations, the API is no longer used or available for charter school renewals. Education Code Section 52052(f) now specifies in pertinent part:

For purposes of paragraphs (1) to (3), inclusive, of subdivision (b) of Section 47607, alternative measures that show increases in pupil academic achievement for all groups of pupils schoolwide and among numerically significant pupil subgroups shall be used.

(2) A Renewal Charter Petition

The renewal petition shall include a reasonably comprehensive description of any new requirements of charter schools enacted into law after the charter was originally granted or last renewed. (Education Code Section 47607(a)(2))

(3) Increases in pupil academic achievement for all groups of pupils served by the charter school

Additionally, the authority that granted a charter is required to consider **increases** in pupil academic achievement for all numerically significant pupil subgroups as the most important factor in deciding whether to renew the Charter. (Education Code Section 47607(a)(3))

(4) Past performance of the school's academics, finances, and operation in evaluating the likelihood of future success, along with future plans for improvement if any.

When considering a petition for renewal, the governing board shall consider the past performances of the school's academics, finances, and operations in evaluating the likelihood of future success, along with future plans for improvement if any.

Standards for Denial of a Charter Petition Renewal

Education Code Section 47605 (b) establishes that governing boards are to be aware "of the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged. The [County Board of Education] shall grant [renew] a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice," though, as described above, the renewal process does include additional considerations and standards.

California Code of Regulations, Title 5, Section 11966.5(c)(2) specifies that the County Board of Education may deny a renewal petition only if it makes written factual findings to support one or more of the following findings:

1. The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.
2. The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
3. The petition does not contain an affirmation of each of the conditions required by statute.
4. The petition does not contain a reasonably comprehensive description of all of the required elements.
5. 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 the Educational Employment Relations Act (EERA).
6. Failure to meet one of the criteria set forth in Education Code Section 47607(b) (as applied pursuant to Education Code Section 52052(f)).

Determination Criteria for Renewal of Alpha Cornerstone

As explained above, the SCCBOE is also required to consider **increases** in pupil academic achievement for all of CAPS's numerically significant pupil subgroups as "the most important factor" in deciding whether to renew its Charter. Moreover, SCCBOE cannot approve the renewal unless it makes one of the findings specified in Education Code Sections 47607(b) and 52052(f) related to CAPS's minimum academic performance during the current term of its Charter. Additionally, the SCCBOE is required to consider CAPS's past academic, fiscal, and operational performance, and any future plans for improvement, in deciding whether to renew the Charter.

In the Renewal Petition, CAPS asserts that it meets the minimum required academic performance standards and that its academic performance clearly supports renewal. The embargoed nature of the California Assessment of Student Performance and Progress (“CAASPP”) data prohibited CAPS from submitting comparison data in its initial renewal petition to FMSD. As the data has now been un-embargoed, SCCOE was able to utilize the comparison school data to assess CAPS’s academic performance against these standards. CAPS was able to share its own and comparison data during the appeal public hearing, asserting that it established CAPS meets the criteria for renewal on pages 10 through 26 of the renewal Charter. SCCOE Staff has not incorporated all of that information in this Staff Analysis and Proposed Findings of Fact, but performed its own analysis of the data for this review and found it to be comparable with what was presented.

The data below represents some of the most significant data available for consideration of CAPS’s academic performance.

School Academics

Academic Performance

Table 1: ALL STUDENTS (percentage at or above standard on CAASPP)

2018-19 SBAC (ELA: gr. 3-8)			2018-19 SBAC (Math: gr. 3-8)		
Grade	CAPS	FMSD	Grade	CAPS	FMSD
3	82.76	38.81	3	82.76	45.81
4	85.00	40.30	4	80.00	36.85
5	62.50	44.93	5	73.98	32.76
6	63.64	46.85	6	71.21	35.49
7	79.25	45.24	7	88.67	32.30
8	72.00	49.72	8	74.00	35.74
All	73.54	44.50	All	78.05	36.35

Table 2: ALL STUDENTS (percentage at or above standard on CAASPP)

4 year Trend SBAC (ELA: gr. 3-8)					4 year Trend SBAC (Math: gr. 3-8)				
	15-16	16-17	17-18	18-19		15-16	16-17	17-18	18-19
CAPS	66	66.17	69.72	73.54	CAPS	62	64.31	68.81	78.05
FMSD	46	44.88	44.66	44.50	FMSD	39	39.39	37.87	36.35

Table 3: CAPS SBAC (Four Year Trend) (percentage at or above standard on CAASPP) Cohort Data

ELA					Math				
Grade	15-16	16-17	17-18	18-19	Grade	15-16	16-17	17-18	18-19
3	76	72.09	79.66	82.76	3	83	82.56	83.05	82.76
4	68	75.00	82.02	85.00	4	70	78.58	76.40	80.00
5	62	56.66	58.07	62.50	5	38	48.34	69.36	73.98
6	50	59.70	65.08	63.64	6	57	43.28	53.97	71.21
7	*	*	57.40	79.25	7	*	*	57.41	88.67
8	*	*	*	72.00	8	*	*	*	74.00
All	66	66.17	69.72	73.45	All	62	64.31	68.81	78.05

*no students tested in these grades as Cornerstone did not serve these grades yet.

Table 4: CAPS SBAC (Four Year Trend, Subgroups) (percentage at or above standard on CAASPP)

SPED	ELA				SPED	Math			
	15-16	16-17	17-18	18-19		15-16	16-17	17-18	18-19
All	23	26.09	34.38	32.43	All	23	39.13	37.51	40.54

Hispanic	ELA				Hispanic	Math			
	15-16	16-17	17-18	18-19		15-16	16-17	17-18	18-19
All	50	48.63	50.38	54.02	All	46	39.45	47.32	61.60

SES	ELA				SES	Math			
	15-16	16-17	17-18	18-19		15-16	16-17	17-18	18-19
All	63	60.68	65.00	68.97	All	57	55.63	62.61	72.52

EL	ELA				EL	Math			
	15-16	16-17	17-18	18-19		15-16	16-17	17-18	18-19
All	54	57.15	48.32	43.48	All	47	54.63	44.95	50.73

Table 5: CAPS 2019 SBAC Results with Comparison Schools (percentage at or above standard on CAASPP)

Student Group	2019 ELA					Student Group	2019 MATH				
	CAPS	Kennedy	Meadows	Bridges	CCA		CAPS	Kennedy	Meadows	Bridges	CCA
ALL	73.54	39.65	57.53	35.45	78.44	ALL	78.05	30.26	46.18	21.74	65.20
SES	68.97	36.21	53.77	33.22	65.52	SES	72.52	26.29	40.30	18.64	50.00
Hispanic	54.02	26.17	50.00	28.64	52.46	Hispanic	61.60	13.42	35.26	14.05	31.15
EL	43.48	10.00	12.06	8.03	17.65	EL	50.73	6.86	14.52	1.98	17.64
SPED	32.43	8.00	18.51	0.00	*	SPED	40.54	12.50	22.22	0.00	*

*percentage withheld to protect privacy as fewer than 10 students were tested in this group

The Tables above reflect the CAASPP information verified by SCCOE Staff, (<https://caaspp.cde.ca.gov/sb2019>) in determining CAPS's student performance and progress schoolwide relative to the district, FMSD. SCCOE Staff also consulted with the SCCOE Assessment and Accountability Team. Table 1 reflects the 2018-2019 SBAC (Smarter Balanced Assessment Consortium) results in English Language Arts (ELA) and Math for CAPS and FMSD. CAPS's overall performance is above those of students attending FMSD.

Table 2 reflects schoolwide student progress across the last four years of SBAC assessment for FMSD and CAPS students. Results reflect a rate of progress for CAPS students that is significantly above their peers in FMSD in both ELA and Math.

Table 3 reflects grade level, year-over-year progress for CAPS students. When looking across the table, all grades show increases in ELA and Math, except 5th grade 2015-16 to 5th grade 2016-17 and 6th grade 2017-18 to 6th grade 2018-19 in ELA and 6th grade 2015-16 to 6th grade 2016-17 in Math. This table also shows cohort data across grade levels (when looking diagonally on the chart). When looking at cohorts, a negative trend appears from 4th to 5th to 6th, but, increases again going to 7th and 8th in both ELA and Math. CAPS explained that this decline from 4th to 5th to 6th is due to a shift in students who choose to leave CAPS at the

end of 4th or 5th grade seeking a middle school experience and an influx of new students to CAPS to fill those vacated spaces.

Table 4 reflects the subgroup data over the last four years. Other than slight declines (-2 percent) for Students with Disabilities in ELA for the period 2017-18 to 2018-19 (though exhibits gains across the four years) and some declines (-10.1 percent) for EL pupils in ELA across the four years, all subgroups show increases in ELA and Math.

Table 5 reflects the 2018-19 SBAC data as compared to the elementary and middle schools in FMSD which CAPS students otherwise would have attended: Kennedy and Meadows Elementary Schools, and Bridges Academy and College Connection Academy (CCA) middle schools. While CCA outperforms CAPS for all students in ELA, CAPS performs at or above all schools that CAPS students would otherwise have attended in all numerically significant student groups in both ELA and Math.

Per the California Dashboard for all students for 2018-19, CAPS was blue for both ELA and Math. Notably, ELA was 59 points above standard (an increase of 17.2 points) and 61.5 points above standard in Math (an increase of 23.2 points). CAPS's status for its subgroups in ELA was as follows: Students with Disabilities (yellow - 29.3 points below standard - an increase of 11.9 points), English Learners (blue - 91.8 points above standard), Socioeconomically Disadvantaged (blue - 47.5 points above standard), Hispanic (blue - 16 points above standard), Asian (blue - 91.8 points above standard), and Filipino (no performance color - 81.3 points above standard). In the area of Math, CAPS's status for its subgroups was as follows: Students with Disabilities (orange - 44.7 points below standard - decline of 4.9 points), English Learners (blue - 47.2 points above standard), Socioeconomically Disadvantaged (blue - 48.3 points above standard), Hispanic (blue - 18.1 points below standard), Asian (blue - 96.5 points above standard), and Filipino (no performance color - 77.1 points above standard). No performance colors or scores were given for African American, Foster Youth, Two or More Races, or White as the sample size was less than 11 students tested and data was not provided to protect privacy (see chart below).

Student Group Report for 2019 per the California Dashboard				
Student Group	Chronic Absenteeism	Suspension Rate	English Language Arts	Mathematics
All Students	Yellow	Yellow	Blue	Blue
English Learners	Yellow	Blue	Blue	Blue
Socioeconomically Disadvantaged	Yellow	Green	Blue	Blue
Students with Disabilities	Orange	Green	Yellow	Orange
Asian	Blue	Orange	Blue	Blue
Filipino	Green	Blue	no color	no color
Hispanic	Orange	Orange	Blue	Blue

CAPS has also acknowledged to SCCOE Staff areas in which its pupils suffered declines, most particularly based on the cohort results for 4th to 5th grade students in ELA and Math and the declines for EL students in ELA. CAPS has provided explanations for those results, and is working with APS to implement plans specifically aimed at addressing these declines.

CAPS's academic performance data reflects increases in academic achievement schoolwide and across significant student subgroups. While CAPS students perform at or above the schools or district they otherwise would have attended, there are still some declines in performance for numerically significant

student groups (English Learners and Students with Disabilities) in ELA. As part of an addendum to the MOU, SCCOE Staff recommends that CAPS include in its Local Control Accountability Plan (LCAP) how it will address the declines in academic performance and provide SCCOE a clear explanation as to the decline, including how the decline will be addressed. CAPS's achievement data is adequate to show increases in pupil academic achievement for all groups of pupils schoolwide and among numerically significant pupil subgroups to meet the minimum performance requirements of Education Code Section 47607(b)(1)-(3) and to support renewal when considering increases in pupil academic achievement for all groups of pupils as the most important factor. As discussed in more detail below, CAPS's past fiscal and operational performance and plans for improvement also support renewal.

Finances

It appears CAPS exhibits a healthy financial position. The Charter currently has 43.5% in cash reserves. CAPS, APS and the APS Board of Directors have shown strong fiscal oversight in managing public money. APS's Independent Auditor's Reports for the Year Ended June 30, 2018, and Year Ended June 30, 2019, reports an Unmodified Opinion on the financial statements as a whole, as well as on State and Federal compliance with various laws and regulations. In addition, there were no deficiencies or material weaknesses noted regarding internal controls over financial statements and internal control over compliance for fiscal years 2017-18 and 2018-19.

In FY 18-19, CAPS reported an Average Daily Attendance (ADA) of 520.55. CAPS projects a slight decrease in enrollment for FY 19-20 with an enrollment of 538 and an ADA of 516.48. SCCOE Staff is not aware of any significant financial concerns for CAPS. It appears CAPS projects a healthy financial outlook.

REVIEW OF THE CHARTER PETITION

SCCOE Staff reviewed the renewal Petition using the criteria established in California Education Code 47605(b) and County Board Policy 0420.4 (c) and found:

1. Sound Education Program

The CAPS renewal Petition presents a research-based educational program that meets all the required elements of a sound educational program. As one of four Alpha schools in Santa Clara County, it benefits from a network support team with experienced leadership. CAPS seeks to lay a solid foundation for sustainable academic achievement in future grades and in college. Literacy and math are high priorities. CAPS's goal is that by the end of eighth grade, Cornerstone Academy scholars will demonstrate high level academic and social skills, thorough content knowledge in the core subjects, and exceptional character traits, which CAPS believes to be key in creating self-motivated, competent, and lifelong learners.

The curriculum for Alpha: Cornerstone Academy is based on the Common Core Standards, as well as the California State Standards and the Next Generation Science Standards.

Students in all elementary grades K-4 have approximately 165 minutes of daily reading and writing instruction or practice on a typical day. All classrooms begin their day with an ELA mini-lesson and interactive read aloud or shared reading, which sets the tone for the rest of literacy instruction. Students also engage in the "Reading Power Hour," a workshop rotational model supported by structures from the Daily 5 program. Small group or individualized instruction is also practiced for guided reading lessons and conferring. In addition to literacy, all students receive 90-105 minutes of math instruction daily. They are instructed with the Eureka Math curriculum, a Pre-K through 12

curriculum. Next Generation Science Standards are delivered through the hands-on STEM scopes curriculum and focus on student mastery of core vocabulary and conceptual knowledge with an application of scientific principles in laboratory settings.

Students in the middle grades 5-8 receive an age-appropriate curriculum for English Language Arts, mathematics, history-social science, and science at each grade level. Students also receive instruction in visual/performing arts and physical education.

Students Performing Below Grade Level:

For students who are academically low achieving, CAPS provides tiered academic supports within the school day. Some of these supports include extended academic time, homogeneous reading groups, remediation during the school day, and an after-school program if necessary. There is a dedicated block each day used for an intervention and remediation time. Students needing additional support are identified using a Multi-Tiered System of Support (MTSS) data teaming structure. Students demonstrating need for more intensive support are brought to the Student Success Team for an individualized plan.

Special Education:

Although, the CAPS's Petition states a 7.7% population of students with disabilities according to DataQuest (<https://data1.cde.ca.gov/>), in FY 2018-19 CAPS identified 7.4% of the student population (40 students) as special education eligible, with many of these students being eligible with mild to moderate needs. In comparison, Robert F. Kennedy Elementary which shares a campus with CAPS identified 7.2% of their students as special needs (28 students). Using the same source and fiscal year, 8.6% of the FMSD's student population were students with disabilities.

For FY 2019-20, CAPS uncertified numbers for students with disabilities is 5.5% (30 students) identified as follows: 37% specific learning disability, 33% speech-language impairment, 13% other health impairment, 14% autism, and 3% intellectual disability. Special education students are supported through CAPS's Special Education model where Individualized Education Plan (IEP) goals are delivered with the maximum amount of inclusion as appropriate. The change in percentage from FY 2018-19 to FY 2019-20 for students with special needs is attributed to several students exiting from speech and several 8th graders graduating. Currently in this school year, 11 students are in the identification process which if all students are identified and qualify, the percentage of students with disabilities would be 7.6%.

CAPS has one Education Specialist, three support staff, and one mental health counselor providing support for identified special education students through small group pull-out and/or push-in models, co-teaching with general education staff, and individual support as appropriate. The prescriptive nature of the educational day allows a higher level of adult support per eligible special education student.

CAPS has developed and submitted, first to FMSD and with its appeal to SCCOE, a document entitled "Plan for Accelerating our Progress to our Vision of Special Education," describing CAPS's commitment to enrolling and serving scholars with disabilities, that includes proposals by which CAPS can increase enrollment of and services provided to students with special needs, including students with moderate to severe disabilities. CAPS should be required to implement this plan via an addendum to the MOU.

CAPS serves as its own LEA for the purposes of compliance with the Individuals with Disabilities Education Improvement Act (IDEIA) and is a member of the El Dorado County Charter SELPA. SCCOE Staff will monitor special education compliance in accordance with SCCOE's oversight role, though CAPS is solely responsible for compliance with the IDEIA, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act. The CMO has a healthy reserve for the unforeseen needs of any student.

English Learners (EL):

Although the Petition identifies 22.2% of its student population as English Learners, DataQuest for FY 2018-19 identified 39.1% (212 students) as English Learners. The majority of these students speak Vietnamese (51.42%) and Spanish (39.15%).

CAPS has instituted a compliant, systematic process that addresses the identification of students as English Language Learners (ELL or EL) from day one. CAPS ensures that each student's educational and language development progress is measured annually to help determine individual growth and schoolwide performance. All English Learners are enrolled in core content classes, allowing access to the State Standards. CAPS offers designated English Language Development (ELD) for ELL students in "pull-out" sessions and during the regular school day. Integrated ELD strategies are used during the regular academic program to serve the needs of ELs.

Students who are reclassified as Reclassified Fluent English Proficient (RFEP) continue to be monitored for four years after their reclassification. The APS Leadership Team has provided an EL plan that supports all Alpha schools to ensure curriculum is effective and describes how leadership works closely with school site staff on training and implementation.

The Charter Schools Department Staff concluded that the CAPS renewal Petition provides sufficient information to substantiate the required elements for a sound educational program.

2. Ability to successfully implement the program set forth in the Petition

SCCOE Staff found facts that demonstrate that the Petitioners are likely to successfully implement the program.

3. Affirmation of each of the conditions required by statute

SCCOE Staff found that the Petition contains all of the required affirmations other than an explicit statement that CAPS shall provide notice of the requirements of Education Code Section 47605(d) in the form developed by the California Department of Education, which notice shall be posted on CAPS's internet website and CAPS shall provide a parent or guardian a copy of this notice at all of the following times:

- (i) When a parent, guardian, or pupil inquires about enrollment.
- (ii) Before conducting an enrollment lottery.
- (iii) Before disenrollment of a pupil.

CAPS has made this affirmation in the MOU and has already updated its website and enrollment process in conformance with these requirements.

4. Reasonably comprehensive description of the required elements

In order for the description of each element to be considered “reasonably comprehensive,” it is not enough that the renewal Petition include a description, but rather the description should be acceptable to SCCOE and be consistent with, and not contrary to, SCCOE’s standards and expectations for charter schools under its oversight. SCCOE Staff notes that Staff’s indication that it believes the description of an element is “reasonably comprehensive” should **not** be interpreted to mean that SCCOE Staff does not believe that additional or different terms relating to that element would need to be agreed to by the Petitioner through the MOU process. Further, while SCCOE Staff may make recommendations for remediation in an area, or specifies that particular issues or terms have been or will need to be clarified or resolved through the MOU or an addendum to the MOU, this does not mean that other areas may not need additional correction to be included in the MOU or in an addendum to the MOU. Further, Staff’s determination that an element is reasonably comprehensive may be premised on noted issues being remediated through the MOU and addendum process.

The Charter Schools Department Staff found that the Petition provides a sufficiently comprehensive description of the required elements for approval, though, as indicated in the Charter and in the staff analysis, additional specificity and requirements governing CAPS’s operations, including its compliance with the required charter elements, have been included in the MOU and/or will need to be included in an addendum to the MOU among CAPS, its governing entity/CMO APS, and the SCCOE.

A. Element One: Description of the Educational Program/Plan for Student Academic Achievement

SCCOE Staff concluded that CAPS provided sufficient information in the renewal Petition to substantiate the required elements for a sound educational program as explained above.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

B. Element Two: Measurable Student Outcomes

CAPS’s petition included an LCAP that addresses state requirements and provides both quantitative and qualitative indicators for determining performance and progress. Parent input was solicited through a survey of all APS parents, followed by in-person meetings where the required components of the CAPS LCAP were shared. Parental input was considered as CAPS parents and staff determined the best way to utilize their Local Control Funding Formula (LCFF) funds. CAPS’s LCAP sets achievable benchmarks that scaffold across the three-year span, utilizing student (plus sub-groups) proficiency levels on CAASPP in English Language Arts and Math as the academic criteria. Additional academic metrics involve student performance and progress on the English Language Proficiency Assessments for California (ELPAC). Attendance, absenteeism, suspension and expulsion rates, with achievable benchmark goals, help provide corresponding metrics in determining student outcomes. Parent satisfaction survey results and frequency of parent-teacher conferences and community meetings help round out additional measurable outcomes in describing CAPS’s comprehensive LCAP. SCCOE Staff also notes that the law regulating charter school adoption of an LCAP has been revised and CAPS is now required to comply with all requirements for adoption and revision of an LCAP, including the holding of at least

one public hearing to solicit public input on the LCAP in accordance with Education Code Section 47606.5 which APS has agreed to in the MOU.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

C. Element Three: Method by Which Pupil Progress in Meeting Outcomes will be Measured

CAPS's assessment plan utilizes multiple measures that include baseline, formative, interim and summative assessments. Baseline and formative assessment (beginning-year core CMO/teacher assessments) provide individual and classroom feedback to inform instruction for students and staff. Interim assessments [Measures of Academic Progress (MAP), mid-year core CMO/teacher assessments] provide standardized data that can be aggregated and analyzed to both inform and predict student performance and progress. Summative data (SBAC, ELPAC, Physical Fitness Testing, and end-of-year assessments), provide school and network-wide information relative to student performance and success. CAPS is supported by the network team who provide and lead frequent discussions throughout the school year in helping staff reflect on student performance and growth. It is clear that every student's performance and progress is measured and adult support/intervention is "adapted" to target for student success.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

D. Element Four: Governance Structure

In accordance with Education Code section 47604, all APS campuses will be operated by Alpha Public Schools (APS), a California non-profit public benefit corporation with 501(c)(3) status. All staff are employees of APS. APS is governed by a Board of Directors ("Board") consisting of 5 to 13 members and pursuant to its corporate bylaws.

Per the Petition, Board meetings are held quarterly in accordance with the Brown Act at the corporate offices in San Jose, CA, with the meetings generally held at 9:30 a.m. During the Public Hearing, questions were raised by SCCBOE regarding parent involvement in the governance of CAPS, and SCCBOE expressed the need for CAPS to increase such involvement in accordance with the requirements of the Charter Schools Act which requires that the petition include a reasonably comprehensive description of the governance process of the charter school including how parents will be included in the governance process. SCCBOE suggested CAPS include parents to serve on the APS/CAPS Board and hold Board meetings in the evening to make meetings more accessible to parents. In response, APS confirmed with SCCOE staff that its Board has developed a plan and shared an approved APS Board policy that will adjust its Board meeting schedules and increase parental involvement to the benefit of all of APS. APS is currently surveying all of its families to determine when meetings should be held. The timeline for these changes to be completed is by July 1, 2020. In addition, APS moved its most recent Board (December) meeting date, time and location (from Friday morning at network office to Monday evening at CAPS) to better serve its community. APS has specified that it will also hold additional and special meetings as necessary in order for the Board to carry out its legally required functions.

As SB 126 further adjusts the requirements for board meetings and governance effective January 1, 2020, APS will need to adjust its meeting schedule and, as necessary, the location of meetings and inclusion of teleconference locations at each school site, to comply with the changes to the law, which CAPS has specifically acknowledged in the renewal Petition. Further, APS will need to update its Conflict of Interest Policy and adopt a Conflict of Interest Code in accordance with SB 126 and the Political Reform Act of 1974. CAPS should adopt the Fair Political Practices Commission's Model Conflict of Interest Code, including the designation of officials and disclosure categories. This Code will need to be approved by the County Board of Supervisors. The Charter specifies that APS shall comply with the Brown Act, the Public Records Act, Political Reform Act of 1974, Government Code Section 1090 *et seq.*, and no interested person (as identified in the corporate bylaws) is permitted to serve on APS's Board of Directors.

In accordance with the California Non-Profit Integrity Act of 2004 (SB 1262), a non-profit organization is required to establish an audit committee. The membership of the audit committee cannot include: the organization's CEO, treasurer, any employee of the organization, and any person with a material financial interest in any entity doing business with the organization. If the organization has a finance committee, members of the finance committee must constitute less than one-half of the membership of the audit committee and the chairperson of the finance committee shall not serve on the audit committee. CAPS' renewal petition and included bylaws do not address the development of an audit committee. An update to the bylaws will be necessary in bring CAPS into compliance.

California Education Code (EC) Section 215, AB 2246 mandates that any Governing Board of an LEA that serves pupils in grades seven to twelve, including a charter school, develop a suicide prevention policy. The board policy must be developed in consultation with school and community stakeholders, school-employed mental health professionals, and suicide prevention experts. At a minimum, the board policy must address procedures relating to suicide prevention, intervention, and post-intervention. In its Petition, CAPS commits to comply with this requirement, including review and update as necessary at least every five years, though, as discussed more fully below, changes to CAPS's policy are required to conform with legal requirements.

The CAPS Petition highlights strategies used to ensure parents are involved in the governance of the school. Currently, CAPS has an established Parents Association, School Site Council (SSC), and English Language Advisory Committee (ELAC). Parents are also involved on Board advisory committees, annual family surveys, hiring new school staff, and are invited to attend board meetings. In addition, there are monthly newsletters, cultural and school spirit events, and many other opportunities for parent and family involvement at the school.

The corporate bylaws must be updated to be consistent with the requirements of the MOU and this staff analysis, specifically clarifying that any SCCBOE representative to the APS Board shall serve solely in the SCCBOE or designee's discretion, no limitations or qualifications for service on the Board shall apply to any such SCCBOE representative and that CAPS will establish an Audit Committee.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description only with the provisions agreed to in the MOU and the additional specifications to be included in an addendum to the MOU.

E. Element Five: Employee Qualifications

APS recruits professional, effective and qualified personnel for all administrative, instructional, instructional support, and non-instructional support capacities who believe in the instructional philosophy outlined in its vision statement. In accordance with Education Code 47605(b)(5)(e), APS shall be nonsectarian in its employment practices and all other operations. APS shall not discriminate against any individual (employee or student) on the basis of the characteristics listed in Education Code Section 220 (actual or perceived disability, gender, gender identity, gender expression, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code, including immigration status, or association with an individual who has any of the aforementioned characteristics).

APS works diligently with SCCOE Human Resources to ensure that the teaching staff are enrolled in Teacher Credentialing Programs, and fulfilling all the legal requirements for them to perform as teachers. All CAPS staff meet the current credentialing requirements.

The charter references “flexibility” in credentialing for non-core, non-college prep classes. AB 1505 eliminates this flexibility and requires that all charter school teachers, including those at CAPS, will be required to hold certification qualifications by July 1, 2020, and all teachers shall obtain a certificate of clearance and satisfy the requirements for professional fitness pursuant to Education Code Section 44339, 44340, and 44341, though teachers employed by charter schools during the 2019–20 school year shall have until July 1, 2025, to obtain the certificate required for the teacher’s certificated assignment. CAPS’s compliance with the new legal requirements has been included and agreed upon in the MOU.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

F. Element Six: Health and Safety

CAPS provided a description of Health and Safety Policies. They address the fingerprinting process (carried out by the CMO and not the principal as stated in the Petition) and background checks for all employees.

While CAPS does provide a policy on Student suicide prevention, the policy does not specifically address the needs of high-risk groups nor include suicide awareness and prevention training for teachers. CAPS must ensure that a school employee acts only within the authorization and scope of the employee’s credential or license. As mentioned in the Governance section above, a Board policy on suicide prevention must be developed in consultation with school and community stakeholders, school-employed mental health professionals, and suicide prevention experts. At a minimum, the board policy must address procedures relating to suicide prevention, intervention, and post-intervention.

In accordance with Ed Code 32281, there is no evidence of a school site council or a school safety planning committee that is responsible for developing CAPS’s comprehensive school safety plan. The School Safety Plan in accordance with Ed Code 32286(a) should be approved yearly by March 1. The plan in the Petition was last updated June 6, 2019. There is

no evidence of a public meeting (Ed Code 32288(a)) that would allow members of the public the opportunity to comment on the plan. This year, the plan appears to be on track for a March 1st approval. Although the School Safety Plan meets the minimal requirements, it is recommended that CAPS review Ed Code 32280-89 and follow the required process and procedures including those related to Human Trafficking.

The Parent Handbook states that two fire drills will be conducted during the academic year. In accordance with Ed Code 32001, because CAPS is a K-8 school, fire drills are required to be held monthly. These are being conducted with the required frequency, but the Parent Handbook and CAPS policies must be updated to reflect this requirement.

While CAPS has an AED (automated external defibrillator) its epi-pens had expired. New pens have been ordered.

The Charter Schools Department Staff believes that, upon clarification of CAPS’s suicide prevention policy and school safety planning procedures in an addendum to the MOU, this section does include a reasonably comprehensive description.

G. Element Seven: Racial and Ethnic Balance

Demographic Data for CAPS and Franklin-McKinley School District

2018-19	Total #	Hispanic or Latino	Asian	Filipino	White	African American	Two or More Races
CAPS	543	31.5%	53.8%	5.7%	4.1%	0.7%	3.5%
FMSD	10,275	59.5%	30.9%	3.6%	1.9%	1.7%	1.5%
FMSD (Non-Charter)	6,979	59.8%	30.4%	4.1%	1.9%	1.6%	1.5%

DataQuest: www.data1.cde.ca.gov/dataquest

Socio-Economic Status/English Learner/Students with Disabilities Data for CAPS and FMSD

2018-19	Total #	SES%	EL%	SPED%
CAPS	543	69.4%	39.0%	7.4%
FMSD	10,275	76.5%	43.7%	8.5%
FMSD (Non-Charter)	6,979	76.8%	45.3%	8.1%

DataQuest: www.data1.cde.ca.gov/dataquest

CAPS strives through recruitment and admissions practices to achieve a racial and ethnic balance among its students that is reflective of the general population residing within the territorial jurisdiction of FMSD. CAPS’s strategy includes, but is not necessarily limited to, (1) printing and distributing materials in English, Spanish, Vietnamese, and other languages reflecting the needs of the community, (2) an enrollment process that is scheduled and adopted to include a timeline that allows for a broad-based application process, (3) the development and distribution of promotional and informational material that reaches out to all of the various racial and ethnic groups represented in the territorial jurisdiction of the local school district, and (4) continuous outreach activities throughout the community.

To address the disparity in enrollment of Hispanic/Latino students between CAPS and FMSD, the Charter School has increased its recruitment efforts at locations with high numbers of Hispanic/Latino children, including: Kennedy – San Juan Bautista Child Development Center, Santee-Educare, Stonegate Headstart (near Stonegate), Wool Creek Headstart (in front of District offices), McKinley Headstart (near McKinley), Dahl State Preschool/Headstart, Christopher Preschool, Franklin House Headstart (on Baltic Avenue), Seven Trees Library and Seven Trees Preschool, and San Jose Recreation Preschool at Seven Trees Community Center (in the Library). CAPS has committed to establish a comprehensive recruitment strategy, geared at achieving a racial and ethnic balance among its students that is reflective of the general population residing within the territorial jurisdiction of FMSD.

CAPS has also requested to update its admission preferences to better align its racial and ethnic balance with that of Franklin McKinley School District. CAPS is aware that aligning its population to mirror FMSD might adversely impact their neighbor, Robert F. Kennedy Elementary. These proposed preferences include students who reside within FMSD and qualify for free-reduced lunch program, students who reside outside of FMSD and qualify for free-reduced lunch program, and students who reside within FMSD who do not qualify. As with all optional admission preferences, these admission preferences cannot be enacted without approval by the authorizer at a public hearing, per Ed Code 47605(d)(2)(B)(i), therefore, approval of these preferences as part of this renewal appeal is within the discretion of the County Board. Should the SCCBOE approve the renewal including these preferences, the new preferences may assist in further aligning CAPS's racial and ethnic balance with FMSD.

CAPS Demographic Data From 2015-16 to 2018-19

	Total #	Hispanic or Latino	Asian	Filipino	White	African American	Two or More Races
2015-16	456	37.3%	53.3%	5.3%	0.2%	1.8%	2.2%
2016-17	451	35.7%	52.8%	6.9%	0.2%	2.0%	2.4%
2017-18	519	36.8%	53.0%	6.0%	0.8%	1.0%	2.5%
2018-19	543	31.5%	53.8%	5.7%	4.1%	0.7%	3.5%

DataQuest: www.data1.cde.ca.gov/dataquest

CAPS Percentage of Asian Population by Grade Level Over Time										
	Total % Students	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8
2018-19	53.8%	66.7%	62.7%	50.0%	57.6%	65.0%	64.9%	44.8%	37.0%	28.0%
2017-18	53.0%	65.0%	45.8%	57.4%	63.3%	70.0%	50.8%	36.9%	27.9%	*
2016-17	52.8%	45.5%	56.7%	63.8%	69.8%	53.4%	40.3%	35.8%	*	*
2015-16	53.3%	55.7%	62.7%	69.0%	53.3%	52.3%	37.3%	23.1%	*	*

CAPS Percentage of Hispanic Population by Grade Level Over Time										
	Total % Students	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8
2018-19	31.5%	3.3%	18.6%	30.0%	30.5%	25.0%	29.7%	38.8%	57.4%	56.0%
2017-18	36.8%	21.7%	33.9%	29.5%	28.3%	25.6%	41.3%	58.5%	59.0%	*
2016-17	35.7%	32.7%	28.3%	24.1%	25.6%	34.5%	52.2%	52.2%	*	*
2015-16	37.3%	29.5%	23.7%	26.4%	35.0%	42.0%	52.0%	69.2%	*	*

*No data available as these grade levels not served in these years DataQuest: www.data1.cde.ca.gov/dataquest

Pursuant to changes implemented by AB1505, at the time the renewal term commences, CAPS will also be required to describe the means by which CAPS will achieve a balance of special education pupils and English learner pupils, including redesignated fluent English proficient pupils as defined by the evaluation rubrics in Education Code Section 52064.5, that is reflective of the general population residing within FMSD. CAPS is concerned over the impact this might have on enrollment at Kennedy Elementary school and Kennedy’s demographics. CAPS should be required to provide and implement this plan via an addendum to the MOU.

CAPS Student Group Data from 2015-16 to 2018-19

	Total #	SES%	EL%	SPED%
2015-16	456	69.9%	42.3%	6.5%
2016-17	451	62.3%	43.4%	7.5%
2017-18	519	67.8%	36.9%	8.6%
2018-19	543	69.4%	39.0%	7.4%

DataQuest: www.data1.cde.ca.gov/dataquest

CAPS Percentage of Socioeconomically Disadvantaged Student Group by Grade Level Over Time										
	Total % Students	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8
2018-19	69.4%	58.3%	61.0%	65.0%	61.0%	71.7%	62.2%	83.6%	70.4%	86.0%
2017-18	67.8%	61.6%	60.5%	62.2%	70.0%	61.1%	79.4%	70.8%	77.0%	
2016-17	62.3%	50.9%	51.7%	63.8%	53.5%	67.2%	61.2%	74.6%		
2015-16	69.9%	60.7%	64.4%	62.1%	75.0%	75.0%	8.0%	73.1%		

CAPS Percentage of English Learner Student Group by Grade Level Over Time										
	Total % Students	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8
2018-19	39.0%	50.0%	47.5%	55.0%	67.8%	28.3%	24.3%	22.4%	37.0%	22.0%
2017-18	36.9%	43.3%	50.8%	65.6%	31.7%	22.2%	23.8%	38.5%	27.9%	
2016-17	43.4%	30.9%	71.7%	27.6%	55.8%	32.8%	38.8%	44.8%		
2015-16	42.3%	72.1%	27.1%	54.0%	28.3%	36.4%	42.7%	19.2%		

DataQuest: www.data1.cde.ca.gov/dataquest

As noted above, CAPS has developed and submitted, first to FMSD and with its appeal to SCCBOE, a document entitled “Plan for Accelerating our Progress to our Vision of Special Education,” describing CAPS’s commitment to enrolling and serving scholars with disabilities, that includes proposals by which CAPS can increase enrollment of and services provided to students with special needs, including students with moderate to severe disabilities. CAPS should be required to implement this plan via an addendum to the MOU.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description, but that CAPS will have to continue and expand its efforts as necessary to achieve the requisite balance, including as this requirement is revised by AB 1505, which shall be provided for in the addendum to the MOU.

H. Element Eight: Admissions Policies and Procedures

CAPS has articulated student admission policies and procedures. The school is nonsectarian, tuition free, and does not discriminate against any pupil on the basis of protected characteristics. CAPS included the updated non-discrimination language in its

affirmations, but this language will also need to be updated in its admissions policies and procedures.

In its 2010 renewal petition, CAPS admissions preferences were as follows:

1. Siblings of students admitted to or attending the Charter School
2. Children of staff or board members, not to exceed 10% of total enrollment
3. Students residing in Franklin-McKinley School District
4. All other students

Admission to the school is not determined by place of residence of pupil, or parent, except in the case of public random drawing in accordance with approved preferences. CAPS has updated its admissions lottery procedures consistent with the updates to Education Code section 47605(b)(5)(H) and (d) of the Charter Schools Act.

In the event of a public random drawing, CAPS specifies in the renewal Petition its intent to implement the following preferences in the following order with approval from its authorizer:

1. Siblings of students admitted to or attending the Charter School
2. Children of staff or board members, not to exceed 10% of total enrollment
3. Students residing within the Franklin-McKinley School District and eligible for FRPM
4. Students residing within the Franklin-McKinley School District and not eligible for FRPM
5. Students residing outside the Franklin-McKinley School District and eligible for FRPM
6. All other applicants

Other than the preference for residents of the FMSD, whether to permit the proposed preferences is within the discretion of the SCCBOE. The revisions to CAPS's admission preferences are intended and targeted to increase diversity and enrollment opportunities for underserved students, and SCCOE Staff recommends that the SCCBOE approve these updated preferences.

Admission to the school is not determined by place of residence of pupil, or parent, except in the case of public random drawing. CAPS has a formalized procedure for implementing its public random drawing should one become necessary which includes the specifics of the drawing, including the means by which the admissions preferences are implemented.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

I. Element Nine: Financial Audit

CAPS states in the Petition that the audit will be conducted in accordance with Education Code Sections 47605(b)(5)(I) and 47605(m), generally accepted accounting procedures, and with applicable provisions within the California Code of Regulations governing audits of charter schools as published in the State Controller's K-12 Audit Guide. The Petition states

CAPS's financial audit procedure, which includes how the independent auditor will be selected and retained, the qualifications the independent auditor needs to possess, the timing of the audit, how any deficiencies will be resolved, and how this will be communicated to the necessary outside parties.

As mentioned in the Governance section above, in accordance with the California Non-Profit Integrity Act of 2004 (SB 1262), a non-profit organization is required to establish an audit committee and abide by all the requirements thereof.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description with the creation of an audit committee in accordance with law to be specified in an addendum to the MOU.

J. Element Ten: Student Suspension/Expulsion Procedures

Appendix O to CAPS's Charter sets forth its comprehensive suspension and expulsion policies and procedures which have been updated to reflect current law. In combination with provisions in the MOU, these policies and procedures are consistent with SCCOE's usual practices and are consistent with the changes to this portion of the Charter Schools Act.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

K. Element Eleven: Employee Retirement System

CAPS provides State Teacher Retirement System (STRS) for its certificated faculty and any other staff who hold valid California credentials and meet the eligibility requirements to participate in STRS. CAPS follows the plan's requirements and makes contributions as prescribed by STRS on a timely basis. All certificated personnel also have the option to contribute voluntarily from their salary to a 403(b) plan. All non-certificated, full-time employees at APS participate in the Federal Social Security System and have the option to contribute voluntarily to a 403(b) retirement account. APS employees may have access to additional voluntary retirement plans according to policies developed by the Board of Directors and adopted as APS employee policies. CAPS should also confirm through the MOU/addendum that it will provide the notice concerning any change in retirement system and/or STRS required by Education Code Section 47611. Education Code 47605(b)(5)(K) also requires that the person responsible for reviewing the retirement system for CAPS, be designated, however, this designation is missing from the Petition and should be updated in the addendum to the MOU.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

L. Element Twelve: Public School Attendance Alternatives

The Charter specifies that no student may be required to attend CAPS. Students who reside within FMSD who choose not to attend CAPS may attend other district schools or pursue an intra- or inter-district transfer in accordance with existing district enrollment and transfer

policies. Parents and guardians of each student enrolled in CAPS will be informed on admissions forms that the students have no right to admission to a particular school of any local education agency as a consequence of enrollment in the Charter School, except to the extent that such a right is extended by the local education agency.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

M. Element Thirteen: Description of the Rights of An Employee of the County Office of Education, Upon Leaving the Employment of the County Office of Education, to be Employed by the Charter School

Upon appeal to the County Board of Education, CAPS should have updated this element of the Charter to address the rights of employees of the County Superintendent of Schools who choose to leave the employment of the County Superintendent to work at the Charter School, and any rights of return to the County Superintendent's employment after employment at the Charter School. CAPS did not update this element of the Charter at that time, so all references in the Charter continue to be to employment by a public school district and rights of district employees.

Therefore, this entire element must be updated to reflect the County Board as the authorizer and the County Superintendent of Schools as the employer of all employees at SCCOE. Overall the discussion in this element is complete, as will be updated in the addendum to the MOU, and provides that such employees have no automatic rights of return and only such rights as the County Superintendent may choose to provide, and that employment at CAPS does not provide any rights of employment at any other entity, including in the case of closure of CAPS.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

N. Element Fourteen: Dispute Resolution

CAPS includes a proposed dispute resolution procedure in the Petition. However, CAPS cannot bind the County to any dispute resolution process to which it did not agree. As part of the SCCOE standards of excellence contained in the MOU, CAPS has now agreed to the terms which are set forth in the MOU and have replaced the language proposed in the Charter.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

O. Element Fifteen: Closure Protocol

CAPS outlines an adequate process to be used if the charter school closes. Once documented as official action by APS Board, there is a process addressing notification of all entities, and to ensure smooth transition of students/records to suitable alternative programs. CAPS will provide a final audit, and plans for disposition of assets and liabilities and transfer of public records. On closure, the school shall remain solely responsible for all liabilities arising from the operation of the school. As a non-profit public benefit

corporation, should the corporate entity be dissolved the APS Board will follow the California Corporation Code for the dissolution and file all necessary filings with appropriate state and federal agencies. As part of the SCCOE standards of excellence contained in the MOU, CAPS has now agreed to supplementary closure procedures described in the MOU, and in the case of a discrepancy between the MOU and Charter closing procedures, the MOU will prevail.

The Charter Schools Department Staff believes that this section does include a reasonably comprehensive description.

Required Supplemental Information

SCCOE Staff reviewed CAPS's Petition, which includes the Budget Narrative and Budget (Fiscal Years (FY) 2019-20 through 2022-23 as requested). SCCOE Staff has reviewed additional information from documents and interviews to provide clarification on the financial position. This included meeting with the CAPS/APS Staff and Board members and reviewing financial audits, monthly financial statements, mandatory financial reports, and the Fiscal Crisis Management Assessment Team (FCMAT) Local Control Funding Formula (LCFF) Calculator.

Average Daily Attendance (ADA)

CAPS reported an Average Daily Attendance (ADA) of 520.55 for FY18-19. CAPS projects a slight decrease in enrollment for FY 19-20 with an ADA of 516.48 mainly due to students and families leaving the area because of the high cost of living in the Bay Area.

It appears CAPS projects a healthy financial outlook despite the decrease in ADA for the projected fiscal year 2020.

Revenues

Staff reviewed Appendix N of CAPS's Petition, which includes the multiyear budget summary and cash flow statement. Staff also reviewed CAPS's additional documents such as unaudited actuals and annual audit. The FCMAT LCFF calculator, version 20.1b which was recreated by SCCOE Staff to calculate the LCFF revenue sources reported on the multiyear budget. Per review and also by additional clarification provided by APS staff, the projected revenue sources appear to be appropriately calculated and the projected revenue appears to be reasonably stated.

Revenues have been projected at 96% of CAPS's ADA. Enrollment and attrition rates appear to be reasonable. State revenue streams provide 88.5% of CAPS's funding. CAPS's total funding also includes federal funds. Revenue projections seem to align with SCCOE Staff's projections.

Expenses

CAPS is conservative in its expenditures. Spending plans align with projected revenues. Salaries and benefits are approximately 59% of the total expenditures.

The future cost of facilities is unclear as CAPS anticipates continued use of an FMSD facility pursuant to Prop 39, with the cost of any such facilities to be determined through the Prop 39 negotiations process. Currently, CAPS is utilizing facilities provided by Prop 39. CAPS is co-located with the Robert F. Kennedy Elementary site. The lease expires on June 30, 2020. CAPS has applied for facilities pursuant to Prop 39 for the FY 2020-21 school year and hopes to be able to secure a long-term lease (5-10 years). Currently, CAPS pays FMSD a prorated share of utilities and maintenance expenses. All facilities and utilities are managed through the CMO for which CAPS pays a 13% of its local and state revenues excluding revenues as determined in accordance with generally accepted accounting principles (GAAP).

All of CAPS's financials and school business are managed by the Alpha Public Schools, the CMO. For the services provided by the CMO (i.e. financial management, professional development, fundraising, human resources, special education management), CAPS pays the CMO 17% of its local and state revenues excluding revenues as determined in accordance with generally accepted accounting principles (GAAP).

The services and facilities fees are the only compensation or other payments to which the CMO is entitled. CAPS is responsible for all other costs and expenses necessary to operate the school.

Appendix N and the Budget Narrative project reasonable expenditures for a school of its size and for meeting its LCAP goals.

Cash Flow

CAPS's cash flow closely aligns with all financial documents including bank statements and reconciliation reports. In the event there is an unforeseen financial crisis, CAPS's cash reserves should adequately suffice during an emergency.

Potential Civil Liability Effects on the School and County Office

CAPS is operated by a nonprofit public benefit corporation and, as part of the SCCOE standards of excellence contained in the MOU, CAPS has now agreed to SCCOE's insurance, indemnification, defense, and hold harmless requirements, which assist in insulating SCCOE from civil liability effects from CAPS's operation. CAPS is one of the Alpha Public Schools portfolio, like Alpha: Jose Hernandez Middle School, which is already authorized by SCCBOE. As Alpha: Jose Hernandez is currently in good standing with its charter and MOU with SCCOE, including maintenance of the mandated insurance, there is no indication that CAPS would not also comply.

5. Exclusive Public Employer

As required by the Charter Schools Act, the Charter specifies that APS shall be deemed the exclusive public employer of the employees of the Charter School for the purposes of Educational Employment Relations Act ("EERA").

6. Requirements for Grade-Levels Served, Facility Location, and Students Served

CAPS currently serves K-8. CAPS specifies that students in TK will be served through attendance at one of the other Alpha schools. It will be located in FMSD and sets forth specific requirements for its facility needs. CAPS is located at 1598 Lucretia Avenue.

The Charter Schools Department Staff found that the Petitioners are able to meet the requirements for grade levels served, facility location and students served.

7. Any Other Criteria Set Forth in the Statute

As this renewal request is an appeal of a denial from FMSD, approval of the renewal would also cause a change in authorizers to SCCBOE.

The Governor has signed into law AB 1505 which enacts broad changes to the Charter Schools Act and goes into effect contemporaneously with the commencement of the renewal term sought by CAPS. As such, CAPS will need to comply with the changes to the law.

CONCLUSION

The Charter Schools Department Staff reviewed the renewal Petition for CAPS utilizing the criteria for charter approval set forth in Education Code Sections 47605 and 47607 and California Code of Regulations, Title 5 Section 11966.5.

It is the recommendation of the Charter Schools Department Staff to approve the renewal Petition as reviewed in the Staff Analysis and Proposed Findings of Fact and adopt the Board Resolution for approval of renewal of CAPS for the period of July 1, 2020, through June 30, 2025.

Student Impact

The Charter School office provides oversight and monitoring for 21 County Board of Education authorized charter schools. CAPS currently serves approximately 540 students.