

Minutes
CALIFORNIA SCHOOL FINANCE AUTHORITY

Meeting of the Board
Wednesday, December 22, 2004
9:30 a.m.
915 Capitol Mall, Room 587
Sacramento, California 95814

1. Roll Call

Deputy State Treasurer Carrie Cornwell, serving as chairperson, called the meeting to order.

Members

Present: Carrie Cornwell for Phil Angelides, State Treasurer
Bob Campbell for Tom Campbell, Director of Finance
William Ellerbee for Jack O'Connell, Superintendent of Public Instruction

Staff: Katrina Johantgen, Executive Director

2. Approval of Minutes

The minutes of October 26, 2004 were adopted as submitted.

3. Executive Director's Report

Ms. Johantgen discussed the Methodology Report, that had been provided to the board members for use as a guide in understanding staff's evaluations in determining an applicant's financial soundness.

4. Charter School Facilities Program (CSFP) Applications – Financially Sound Determinations (Action Item)

Seven applicant charter schools have requested further review of the cost estimates provided by the Office of Public School Construction (OPSC). Therefore, Ms. Johantgen requested that the seven applications be held over to another meeting the week of January 17, to allow OPSC time to reevaluate the projects costs, and for staff to evaluate the effect of any changes to the project costs to the determinations of financial soundness. The members agreed to hold the following seven applications over to the next meeting.

The seven charter schools are: Accelerated Elementary School, Aspire Public Schools (K-5), Aspire Public Schools (6-12), Chime Middle, City Arts & Technology High, Maria Montessori Academy and Oakland School of the Arts – Fox Theatre.

Additionally, three applicant charter schools were not able to submit all requested documentation by the December 10, 2004 deadline, and staff was unable to present recommendations regarding

financial soundness. Ms. Johantegen requested that the following three schools be given a final extension until December 28, 2004, so that a recommendation could be presented at the meeting to be held the week of January 17, 2005. The members agreed the following three applications would be given a final date of December 28, 2004 to submit the needed documentation, and the applications would be held over to the January meeting.

The three charter schools are: Alameda Community Learning Center, Los Angeles Leadership Academy and View Park Preparatory.

Ms. Johantegen further reported that a question has arisen in the last few days regarding the Center for Family Learning (Escuela Popular) and its compliance with its chartering authority. In order to allow time to clarify the issue, it was recommended that this charter school be held over to the next meeting. The members agreed to hold the application for the Center for Family Learning (Escuela Popular) until the January meeting.

Since there were no objections, the eleven applicant charter schools noted above will be held over until the next meeting to be held the week of January 17, 2005.

5. Public Comment

Brad Strong from EdVoice thanked the Authority members and staff for the efforts that were taken in the last three months. Mr. Strong spoke on behalf of Knowledge is Power Program (KIPP) regarding the requirement for two years of prior charter school experience. For this round, the language was modified to address the issue of new schools and it substituted management experience for the two years of experience. Mr. Strong thinks that KIPP meets the intent of the original legislation, SB 15, and asks for CSFA's special consideration of this project. Ms. Cornwell then discussed the requirements of SB 15, stating that charter schools that have not been in operation for two years in California may substitute charter school experience and expertise of its key staff members.

Ms. Johantegen stated that staff was satisfied that the umbrella organization, KIPP California, met the two year management requirement. However, key personnel at the individual school sites, KIPP Academy Fresno, KIPP Academy of Opportunity, and KIPP Los Angeles College Preparatory School, did not have the experience required. KIPP recently submitted subsequent information regarding key personnel changes at the individual sites, and staff is evaluating the information that has been provided.

Dr. Ellerbee recommended and the members agreed that the three KIPP applications will be held over to the January meeting to allow staff to confirm whether the new appointments satisfy the requirements. There were no other public comments.

Ms. Johantegen noted that College-Ready Academy failed to meet the two-year management experience requirement. Ms. Johantegen noted that College-Ready Academy is being developed and will be run by the Alliance for College-Ready Public Schools. The President and CEO of

the Alliance has many years of experience within the Los Angeles Unified School District, which included overseeing charter schools, however, the experience was not in a key management position at California charter school. Staff is recommending that it be determined that College-Ready Academy is not financially sound.

Port of Los Angeles High School has not yet commenced instructional operations and has not yet hired all their key personnel. Two key board members are serving as the development team for the charter school. The two board members have two years of California Charter School experience. Staff is recommending that it be determined that Port of Los Angeles High School is financially sound based on the experience of the board members. Ms. Cornwell asked that the school be re-evaluated once the principal and other key staff are hired.

It was moved, seconded, and carried to accept staff's recommendation that the following twenty-two schools have been determined to be financially sound for purposes of preliminary apportionment:

The twenty-two schools are: Academia Semillas Del Pueblo, Animo Downtown Charter High, Animo Inglewood Charter High, Animo Oscar de la Hoya High, Animo South Los Angeles High, Animo Venice High, California Montessori Project (Elk Grove), California Montessori Project (Shingle Springs), Camino Nuevo, Crosswalk Experiential Learning Pathways, El Portal Leadership Academy High, Elk Grove Unified School District, Environmental Charter High, Jacoby Creek School, Lemoore Elementary University School, Mare Island Technology Academy High School, Temecula Preparatory School, Temecula Valley Charter School, Today's Fresh Start School, University High, Vaughn Elementary Language Academy, and Vaughn High School Academy.

It was moved, seconded and carried to accept staff's recommendation that College-Ready Academy has been determined to not be financially sound due to the lack of two years of previous charter experience.

It was moved seconded and carried to accept staff's recommendation that Port of Los Angeles High School has been determined to be financially sound, contingent upon its hiring of key personnel with acceptable charter school experience.

Without any further public comment, Ms. Cornwell adjourned the meeting.