

**Charter School Facilities Program
Proposition 51 Funding Round
Staff Summary Report – January 2019**

Applicant/Obligor:	Mariposa County Unified School District
Project School:	Sierra Foothill Charter
CDS (County – District – School) Code:	22-65532-0125823
School Address/Proposed Site:	4952 School House Road, Catheys Valley, CA 95306-9710
OPSC Application Number:	54/65532-00-001
Type of Project:	Rehabilitation
Type of Apportionment:	Advance Apportionment
County:	Mariposa
District in which Project is Located:	Mariposa County Unified School District
Charter Authorizer:	Mariposa County Unified School District
Total OPSC Project Cost:*	\$3,078,548
State Apportionment (50% Project Cost):	\$1,539,274
Lump Sum Contribution:	\$1,539,274
Total CSFP Financed Amount:	N/A
Length of CSFP Funding Agreement:	N/A
Assumed Interest Rate:	N/A
Estimated Annual CSFP Payment:	N/A
First Year of Occupancy of Project:	2019-20

**The amount identified as total project costs represents an estimate provided by the Office of Public School Construction for purposes of Preliminary and/or Advance Apportionment financial soundness review. Final project costs will be provided at the time of Final Apportionment.*

Staff recommends that the California School Finance Authority (“Authority” or “CSFA”) Board determine that Mariposa County Unified School District (“MCUSD” or “CMO”) on behalf of Sierra Foothill Charter (“Sierra” or “School”), is financially sound for purposes of an Advance Apportionment under the Charter School Facilities Program (“Program” or “CSFP”). This determination as it relates to Advance Apportionment is in place for twelve months and assumes no financial, operational, or legal material findings within this time period. This recommendation is contingent upon Mariposa County Unified School District (“MCUSD”) contributing a lump sum contribution as the matching share. Staff recommends that the Authority Board direct staff to notify the Office of Public School Construction (“OPSC”) and the State Allocation Board (“SAB”) regarding this determination.

Background: In October 2017, the Authority found MCUSD, on behalf of Sierra Foothill Charter, financially sound for a Preliminary and an Advance Apportionment. This determination has since expired. Sierra was awarded its Preliminary Apportionment at SAB’s January 2018 board meeting.

Application Highlights: Below staff has highlighted key criteria that were evaluated when conducting its financial soundness review of Mariposa County Unified School District on behalf of Sierra Foothill Charter. Detailed information is contained in the body of the report.

<i>Criteria</i>	<i>Comments</i>
Eligibility Criteria	Sierra has met all eligibility criteria: (1) Sierra commenced operations in 2012; (2) Sierra's approved in November 2016 and is in place through June 2022; (3) Sierra is in good standing with its chartering authority, and in compliance with the terms of its charter.
Student Performance	Sierra students have performed better than local schools and MCUSD on average for English Language Arts and Mathematics in the last three years.
Demographic Information	Sierra currently serves 136 students in grades K-6. Enrollment in 2018-19 is expected to be 135 students. ADA rates averaged 94.9% from 2013-14 through 2016-17.

Program Eligibility: On November 30, 2018, at CSFA staff's request, verification was received from MCUSD confirming that Sierra (1) has been in operation for more than 2 years, (2) in compliance with the terms of its charter agreements, and (3) in good standing with its chartering authority. Sierra's current charter is effective through June 2022.

Legal Status Questionnaire: Staff reviewed the applicant's responses to the questions contained in the Legal Status portion of the application. The applicant confirmed that there are no disclosures including civil or criminal cases filed in state or federal court, civil or criminal investigations by local, state or federal law enforcement authorities, and enforcement proceedings or investigations by local, state or federal regulatory agencies.

Project Description: The rehabilitation project focuses on five buildings. Three portable classrooms will be renovated along with the office/library building and a bathroom building. The projects given priority by Sierra re the following: possible roof and septic system repairs, needed Americans with Disabilities Act compliances and updates, water system deficiencies, drainage issues, and HVAC repair and deferred maintenance. Project completion is expected 2019-20 and there is no increased student capacity from the project.

Applicant (District) Information: MCUSD is school district located in Mariposa County and operates 12 schools: six elementary schools (Greeley Hill Elementary, Lake Don Pedro Elementary, Mariposa Elementary, Woodland Elementary, El Portal Elementary, and Yosemite Valley Elementary,); three high schools (Coulterville High, Mariposa County High, & Yosemite Park High), one K-12 independent learning school (Sierra Home School); one continuation school (Spring Hill High – Continuation) & one adult school (Mariposa Adult). Sierra is the lone district charter and it operates independently.

MCUSD is comprised of the following mix of races/ethnicities: 68.7% Caucasian; 18.1% Hispanic or Latino; 6.2% identifying with two or more races/ethnicities; 4.1% American Indian/Alaska Native; 0.8% Asian; 0.7% Filipino; and 0.5% African American/Black.

The MCUSD 2018-19 board members consist of Kathy Chappell (District 1), Steve Bacus (District 2), Judy Eppler (District 3), Wayne Forsythe (District 4), Bob Collins (District 5), and Izamary Marquez (Student Member). Sierra is located in District 3.

Key staff members of the MCUSD's management team are Superintendent Robin Hopper, Chief Business Officer Norma Dwyer, and Maintenance, Operations, Transportation, Facilities and Warehouse Coordinator Linda Mayfield. Staff reviewed the credentials of MCUSD's management team and determined that, collectively and individually, the management team demonstrates having the required experience and educational background.

School Organizational Information: According to information provided by the school, Sierra is a transitional college preparatory public charter school. Sierra's charter was approved by the MCUSD on November 10, 2016, with the charter set to expire on June 30, 2022. Sierra opened in 2012-13 school year and serves grades K-8. The school is a directly funded independent charter school and operated as a California nonprofit public benefit corporation, pursuant to California law upon approval of this charter. Sierra operates autonomously from the District, with the exception of the supervisory oversight as required by statute and other contracted services as negotiated between the District and the School. Sierra's mission statement is "to provide a rigorous, well-rounded education - with a focus on science and sustainability – that helps students acquire the academic and personal skills they need to excel in higher education, think creatively, engage in a diverse society, and pursue their dreams."

According to the materials submitted, Sierra's curriculum is systematically structured and organized based on the adopted Common Core State Standards, Next Generation Science Standards, and History Social Science Content Standards. The curricular materials used at Sierra are aligned with adopted California content standards and the Sierra's Vision, Mission, and Educational Philosophy. Instructional materials are reviewed and selected by the Academic Excellence Committee, made up of teachers, the Principal/Superintendent, and Board representatives.

In addition to research-based, copyrighted textbooks and instructional materials, teachers also use Open Educational Resources. Open Educational Resources are openly licensed, free documents and media for teaching, learning, and assessment that include full courses, course materials, modules, textbooks, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge. Teachers use curricular resources and program materials to design instruction to support mastery of standards. Curriculum and supplemental materials are evaluated every year, and adjustments are made to ensure they are the best match and that there is seamless articulation between grades. Curriculum materials were selected according to the following criteria: aligned to California standards; promotes critical thinking and problem solving skills; provides information and materials for instructional planning and support; provides strategies and resources for

Universal Access; provides alternative approaches for enrichment and intervention; supports or lends itself to project-based instruction; provides opportunities for interdisciplinary and multi-level instruction; has been developed and proven effective based on research; promotes inquiry and interest driven learning; provides strategies for assessing what students know and are able to do; and aligned with Sierra vision and mission. Beyond the core subject areas of English language arts, mathematics, science, and history social science, Sierra also provides additional instruction programs in such subjects as service-based learning, music, art, physical education, gardening and agriculture, character development, interventional, and family life/sex education.

Sierra is governed by its own board consisting of no less than five and no more than nine voting members. The 2018-19 board members consist of Christopher Ramierz, Angelina Brouillette, Amber Edwards, Kori Smith, Jeff Aranguena, and Corinne Dedini. Board members serve a term of two year with member elections staggered so that no more than three members are up for re-election. Staff has reviewed the credentials of the key board member and determined them to have the proper background and experience to govern.

Mindy Bolar is the current principal of Sierra. Staff reviewed the credentials of the Principal of Sierra and determined that, collectively and individually, the management team demonstrates having the required experience and educational background to effectively oversee the operations of Sierra.

School Academic Performance: The following tables represent the 2015-16, 2016-17, and 2017-18 academic performance of Sierra, the averages of similar local public schools (Mariposa Elementary, Cesar E. Chavez Middle, Planada Elementary, Woodland Elementary, Lake Don Pedro Elementary, and Greeley Hill Elementary), and MCUSD. The results are provided through CDE's CAASPP Smarter Balanced testing data. The percentage of student groups performing below average is based on the number of student groups served, e.g. a school where one of four student groups performed below average would have a percentage of 25%. Student groups, as determined in Ed. Code Section 52052 (a)(2), are ethnic subgroups, socioeconomically disadvantaged pupils, English learners, pupils with disabilities, foster youth, and homeless youth. The data for student groups performing below average was first made available for 2016-17.

English Language Arts – Comparison

**% of Students Meeting or Exceeding Avg.
Performance**

	2015-16	2016-17	2017-18
Sierra	58.00%	58.44%	55.26%
Local Schools	27.50%	31.69%	36.76%
MCUSD	40.00%	42.60%	47.55%

All Students Performance

	2015-16	2016-17	2017-18
Sierra	N/A	Average	Average
Local Schools	N/A	Average	Average
MCUSD	N/A	Average	High

Student Groups w/ Below Avg. Performance

	2015-16	2016-17	2017-18
Sierra	N/A	0% (0/1)	0% (0/1)
Local Schools	N/A	57.1% (8/14)	21.4% (3/14)
MCUSD	N/A	42.9% (3/7)	42.9% (3/7)

Mathematics– Comparison

% of Students Meeting or Exceeding Avg. Performance

	2015-16	2016-17	2017-18
Sierra	33.00%	36.37%	40.79%
Local Schools	19.67%	22.88%	24.51%
MCUSD	30.00%	33.21%	35.63%

All Students Performance

	2015-16	2016-17	2017-18
Sierra	N/A	Average	Average
Local Schools	N/A	Average	Average
MCUSD	N/A	Average	Average

Student Groups w/ Below Avg. Performance

	2015-16	2016-17	2017-18
Sierra	N/A	0% (0/1)	0% (0/1)
Local Schools	N/A	71.4% (10/14)	28.6% (4/14)
MCUSD	N/A	66.7% (4/6)	28.6% (2/7)

Enrollment Trends and Projections: The tables below present enrollment information for Sierra from 2016-17 through 2022-23. The assumptions made in the projected years are considered reasonable by staff and consistent based on historical data.

School Student Enrollment and Average Daily Attendance

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Enrollment	136	130	136	139	139	137	141

ADA	93.1%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
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Financial Analysis: This financial analysis is based on the consideration and review of, Sierra: (1) audited financial statements for 2014-15, 2015-16, 2016-17 and 2017-18; and (2) board approved budget projections for 2018-19 and (3) budget projection from 2019-20 through 2022-23. Please note that staff's analysis of Sierra's financial performance is purely for financial viability as the matching share is being provided through a lump sum contribution from the District.

Assumptions: Sierra's financial projections are based upon the following assumptions: (1) a occupancy of the project in 2019-20; (2) Enrollment projections as provided above under "Enrollment Trends and Projections"; (3) Projected ADA rates of 95%, which is comparable with historical performance; (4) COLA percentages for revenue related items of 3.70%, 2.57%, 2.67%, 3.42%, and 2.80% respectively from 2018-19 through 2022-23, and (5) an average percentage of UPP of 46% from 2018-19 through 2022-23.

Long-Term Liabilities: Sierra has no long-term liabilities.

Private Contributions: Sierra does not heavily rely on any private contributions as a major form of revenue. Per the provided budget, private contributions consists of less than 5% of any projected year's total revenue.

Other Consideration: Sierra projects positive net revenue for the years provided in the budgets. From 2018-19 to 2022-23, Sierra's net revenue averages \$559,539 each year. Sierra has \$429,704 in unrestricted net assets as June 30, 2018.

Strengths, Weaknesses and Mitigants:

- + Sierra students have performed better than local schools and MCUSD on average for English Language Arts and Mathematics in the last three years.
- + MCUSD has confirmed the matching share will be through a lump sum payment from Measure L bond proceeds.
- + Sierra had \$429,704 in unrestricted net assets as of June 30, 2018.
- + Sierra projects positive net revenue from 2018-19 to 2022-23.

Staff Recommendation: Staff recommends that the California School Finance Authority Board determine that Mariposa County Unified School District on behalf of Sierra Foothill Charter is financially sound for purposes of an Advance Apportionment under the Charter School Facilities Program. This determination as it relates to Advance Apportionment is in place for twelve months and assumes no financial, operational, or legal material findings within this time period. This recommendation is contingent upon Mariposa County Unified School District contributing a lump sum contribution as the matching share. Staff recommends that the Authority Board direct staff to notify the Office of Public School Construction and the State Allocation Board regarding this determination.