

MEMORANDUM

Staff Summary Item No. 9

Date: August 28, 2019

To: Members of the California School Finance Authority

From: Thomas Dear, Staff Services Manager II

Subject: Consideration of Appeal Regarding the Charter School Facility Grant Program for Children of Promise Preparatory Academy

Background: On July 27, 2018, the California School Finance Authority (Authority) received a Good Standing Letter (GSL) from Inglewood Unified School District (IUSD), for Children of Promise Preparatory Academy (CDS 19646340121186) (COPPA), which found the school to be in good standing with IUSD, its Chartering Authority, and in compliance with the terms of its charter (See Attachment #1). As a result, and having met other eligibility criteria, COPPA was found eligible for a Charter School Facility Grant Program (Program) Award and was awarded its 2018-19 initial apportionment of \$187,978.00. Pursuant to Section 10170.3(f) of Program regulations, a charter school is eligible for a grant if “the charter school is in good standing with its Chartering Authority and is in compliance with the terms of its charter at the time of application submission, and without interruption throughout the term of the grant.”

In February 2019, the Authority began the Program’s second apportionment process for all 2018-19 schools. Part of this process includes establishing each school’s continued good standing designation with its authorizer. For COPPA’s certification, IUSD provided the Authority with two certifications dated February 21, 2019 stating that COPPA is not in good standing with its Chartering Authority nor in compliance with the terms of its charter (See Attachments #2). As a result of the February 21, 2019 certification from IUSD, COPPA was found ineligible for the remainder of its 2018-19 Program Award (second and third award apportionment totaling \$236,354.65), and an ineligibility letter was sent to the school on March 19, 2019 (See Attachment #3).

On July 16, 2019, the Authority received a GSL from IUSD, which found COPPA to not be in good standing nor in compliance with the terms of its charter (See Attachment #7). As a result of the July 16, 2019 certification from IUSD, COPPA was found ineligible for the 2019-20 Program Award (totaling \$424,332.65), and an ineligibility letter was sent to the school on July 26, 2019 (See Attachment #3).

COPPA’s Position: On July 2, 2019, COPPA submitted an appeal arguing that while it has addressed IUSD’s concerns regarding academic performance, “IUSD continues to ignore COPPA’s efforts.” COPPA further argues that the good standing requirement is “invalid because it is inconsistent with the enabling statute and it is unconstitutionally vague.” COPPA is requesting “the Authority grant COPPA’s application for the 2018-19 Program or wait to decide COPPA’s eligibility until the Authority changes its process and/or regulations.” (See Attachment #6)

Authority Position: Since 2016, the Authority has utilized its Good Standing Letter to establish eligibility for program funding. Schools that have received negative responses from their Chartering Authority have requested the Authority to intervene on their behalf.

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The Authority does not arbitrate or mediate when schools are facing issues with their Chartering Authority. Under the current regulations approved in 2016, "The Authority will rely on information from the Chartering Authority regarding the charter school's good standing and compliance with the terms of its charter. Charter schools may appeal any response by the chartering authority's staff directly to the chartering authority's governing board. It shall be the charter school's responsibility, and not the Authority's, to ensure that the good standing and compliance response letter is received by the stated deadline."

In the case of COPPA, Authority staff directed the school representatives and its advocates to appeal to the IUSD Board since the Authority staff nor Board, is charged with certifying a school's good standing with its Chartering Authority or compliance with its charter.

At the July 18, 2019 Meeting, the Board approved amendments to Program regulations regarding certification of Good Standing. These amendments are currently being reviewed by the Office of Administrative Law and are intended to go into effect during the 2019-20 funding round. One of the approved amendments allows applicants found ineligible due to their not in good standing statuses, to receive Program funds if good standing is restored by the end of the fiscal year.

Analysis: It appears from the July 16, 2019 GSL that regardless of COPPA's implementation of the academic turnaround plan and its initial success, IUSD continues to find COPPA "not in compliance with its Charter's academic achievement outcomes." Both the current and pending versions of the good standing confirmation require the charter school to be in compliance with the terms of its charter. Therefore, COPPA would be found ineligible regardless of which version of the good standing requirement was used.

Recommendation: Staff recommends that for the 2018-19 Program funding round, COPPA remain ineligible for the remainder of its 2018-19 Program Award. Staff further recommends COPPA remain ineligible for the 2019-20 Program Award unless it is able to restore its good standing status by the end of the fiscal year. This decision will be considered final and is not subject to an additional appeal.

Attachments:

1. IUSD Good Standing Letter July 19, 2018
2. IUSD Good Standing Letter February 21, 2019
3. 2018-19 Ineligibility Letter March 18, 2019
4. COPPA Appeal letter to Authority May 17, 2019
5. Authority Appeal Response June 19, 2019
6. COPPA Appeal letter to the Board July 2, 2019
7. IUSD Good Standing Letter July 16, 2019
8. 2019-20 Ineligibility Letter July 26, 2019