

## CALIFORNIA STATE BOARD OF EDUCATION

Capitol Mall; P.O. Box 944272  
Sacramento, CA 94244-2720



January 13, 1993

To: District Superintendents  
County Superintendents of Education  
Deans of Education, University of California campuses  
Deans of Education, California State University campuses  
Presidents of the Community Colleges

A handwritten signature in black ink, appearing to read "Joseph H. Stein, Jr.", written over a horizontal line.

From: Joseph H. Stein, Jr.,  
President

Subject: **Senate Bill 1448, Charter Schools Act of 1992**

On September 21, 1992, the Governor signed Senate Bill 1448 (Chapter 781, Statutes of 1992) authored by Senator Gary Hart. This bill establishes a procedure for individuals to petition local school district governing boards to establish charter schools which would be exempt from state laws governing school districts. These schools would instead be held accountable for complying with the provisions of their charters.

Education Code Section 47615, as added by Senate Bill 1448, requires the State Board of Education "...to distribute information announcing the availability of the charter school process... to each school district, county office of education, and public postsecondary educational institution and, through press releases, to each major newspaper in the state." At the direction of the State Board of Education and in fulfillment of the Board's responsibilities under Section 47615, I am pleased to provide you with three documents relating to charter schools. The first document is a short discussion of the historical context for charter schools in California. It is enclosed as Attachment A. The second is the Summary of the Charter Schools Act of 1992. This document was approved by the State Board on November 12, 1992. It is enclosed as Attachment B. The third document is a collection of questions and answers about charter schools. It is enclosed as Attachment C.

Please remember that any guidelines which may be contained in these documents are exemplary only and compliance with them is not mandatory. However, all statutory law cited is binding and must be adhered to. For more information on SB 1448, please contact the Regional Programs and Special Projects Division in the California Department of Education at (916) 657-2516.

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## Attachment A

**CALIFORNIA STATE BOARD OF EDUCATION  
HISTORICAL CONTEXT FOR CHARTER SCHOOLS IN CALIFORNIA**

When the charter schools legislation, SB 1448, was passed and signed by the Governor, this event did not happen in a vacuum. The purpose of this section is, first, to provide some historical context for the charter schools legislation in California. Although it would be impossible to capture a decade of education reform legislation and education reform reports in a few pages, the next few pages attempt to highlight some key ones relevant to the current discussion regarding charter schools.

Second, observers often ask "How does the charter schools concept fit in with the other reform efforts currently underway?" Operationally, the answer to this question will differ from one charter school to the next. However, the next few pages should give some suggestions of how a number of key reform efforts fit together on the conceptual level.

**Early Reform Efforts**

The level of reform begun in the early 1980's was based on the assumption that improved student learning would occur with the adoption of higher or more stringent standards for students, teachers, and schools. Consequently, Senate Bill 813, the Hughes-Hart Educational Reform Act of 1983, and the corresponding statewide reform efforts did all of the following: instituted higher standards; revamped the curriculum frameworks to emphasize the teaching of a thinking, meaning-centered curriculum over a skills-based curriculum for all students; lengthened the school day and school year; attracted high caliber new teachers to the classrooms; established a mentor teacher program; improved the quality of textbooks; and put into place stronger accountability systems. These reforms have resulted in some significant gains over the last 7-8 years. Test scores have gone up, dropout rates have decreased, and a more ethnically diverse student population is taking advanced placement classes and college placement exams.

**Teacher Professionalism**

Concurrent with the implementation of Senate Bill 813 reforms, a number of influential commissions were being created in the state to further study various facets of the problems facing our educational system. One of these commissions, the California Commission On The Teaching Profession, issued a report in 1985 entitled Who Will Teach Our Children? in which a number of recommendations were made to strengthen the teaching profession and give teachers a greater role in the operation of schools. The recommendations fell into three categories: (1) restructure career ladders and establish stringent professional standards; (2) restructure the school as a more productive place for both students and teachers, including involving teachers in

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school decision-making, and; (3) actively recruit individuals to the teaching profession.

### **Restructuring and Site-Based Management**

The California Business Roundtable, an organization of the Chief Executive Officers of approximately 90 of California's major corporations, commissioned Berman, Weiler Associates to study the California educational system and make recommendations for improvement to the Business Roundtable. The subsequent 1988 report, Restructuring California Education, called for a new educational system based on different operating principles. Most notable among the recommendations were that: (1) schools be held accountable for performance rather than for compliance with regulations; (2) schools be given autonomy to develop their educational programs with teachers and parents participating in the decision-making at the school site and; (3) teachers be provided with expanded career opportunities and incentives, and that the traditional isolation of individuals in the profession be dissolved.

### **Charter Schools Within Schools**

By the late 1980's it was becoming clear that the reforms instituted in the early 1980's were still not doing enough to prepare ALL students for life in the 21st century. In 1988, in a speech to the National Press Club, Al Shanker, President of the American Federation of Teachers, introduced the idea that school districts and teacher unions nationwide set up procedures whereby small groups of teachers could band together to create autonomous schools within schools for the purpose of trying different ways to engage those students with whom the traditional schools were not being successful. Under this proposal, such schools would generally include provisions for faculty decision-making, use of varied instructional strategies, performance-based outcomes and testing, and a guarantee that the school would be left alone for a period of time (5-10 years) to give the experiment a chance to work.

### **School-Based Management and Advanced Career Opportunities for Classroom Teachers Linked to Increased Flexibility**

Senate Bill 824 (Chapter 1282/1989, Bergeson) combined the themes of several reports issued in the previous 5 years. Specifically, Senate Bill 824 encompassed both teacher professionalism and site-based decision-making in its purview by establishing the School-Based Management and Advanced Career Opportunities for Classroom Teachers Programs. This legislation encouraged school districts to establish advanced career opportunities for teachers, in conjunction with greater teacher involvement in decision-making at the school site. This bill also contained a provision that allowed school districts which had established some form of school-based management to request a waiver of any Education Code section or regulation adopted by the State Board of Education.

## Structuring and New Accountability Systems

At the same time Al Shanker and other groups and commissions were advocating various new reforms or "restructuring" to make the education system more responsive to student and adult needs, the California Department of Education began to promote the concept of restructuring as the radical rethinking of the fundamental purposes of schooling with the express aim of improving student learning. The Department began to clarify its position in a number of forums on what it means to restructure. The New California Schools Summer 1989 publication and a subsequent teleconference in the Fall of 1989 were devoted to examining the preconditions and obstacles to successful restructuring, and changing roles for individuals at all levels of the educational system.

In December of 1989, following upon the national education summit in September of that year, the State Superintendent of Public Instruction convened a group of about 300 individuals representing the major groups driving California education reform to begin developing a consensus on the next steps that should be taken to upgrade California's schools in the 1990's. Some of the recommendations that came out of the California Education Summit reinforced ideas presented in previous reports; however some of the key ideas that emerged with a solid consensus strongly linked restructuring with a new form of accountability. Central to the recommendations were the following: (1) the focus of all restructuring efforts should be on students; it should not be for the convenience of adults, nor change for change's sake; (2) restructuring means moving from a rule-based to a performance-based accountability system. Schools need to be held accountable for outcomes and for student learning, in return for increased deregulation and flexibility; (3) assessment practices need to be modified to reflect the emphasis on a thinking, meaning-centered curriculum which requires a shift away from multiple choice tests to those that are performance-based.

### Demonstration of Restructuring in Public Education

Senate Bill 1274 (Chapter 1556/90, Hart), sponsored by the California Business Roundtable and passed with the bipartisan support of the Legislature, established the Demonstration of Restructuring in Public Education program. It is intended to be a five-year effort aimed at improving student learning through school and district restructuring demonstrations. Senate Bill 1274 marks the first time additional funding was provided specifically for restructuring efforts. During the first phase, 212 schools were awarded one-time planning grants of \$30 per student to explore various facets of restructuring and begin developing plans for implementing comprehensive restructuring at individual school sites.

The second phase is the actual implementation of restructuring demonstrations. 138 schools were selected through a written proposal screening and interview process to begin their restructuring demonstrations during the 1992-93 school year. The funding provided is capped at \$200 and averages about \$155 per student annually for the next five years.

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### Charter Schools - Minnesota

During 1990 and 1991, a few states around the country were considering legislation allowing for the creation of charter schools within the public school system. Minnesota was the first state to pass legislation authorizing one or more licensed teachers to create and operate outcome-based charter schools. The law allows for not more than eight charter schools in the state, with no more than two such schools in any one district. Each charter school receives revenue limit and categorical funding as though it were a school district. To date, four schools have received approval from the state board of education to operate as charter schools.

### Charter Schools - California

California became the second state to pass legislation allowing for the creation of charter schools within the public school system. The Intent statement of Senate Bill 1448 (Chapter 781/1992, Hart) combines a number of themes. It is intended to: improve student learning, increase professional opportunities for teachers, provide parents and students with expanded choices in the types of educational opportunities available to them within the public school system, and provide a means to shift from a rule-based to a performance-based system of accountability. Senate Bill 1448 establishes a procedure for individuals to petition local school district governing boards to establish charter schools. The legislation stipulates that not more than 100 charter schools may be in operation in any school year, with a limit of not more than 10 such schools in any single school district, thus allowing California's experimentation with charter schools to occur on a more broad scale basis than Minnesota's. Senate Bill 1448 also allows school districts to become charter districts. In return for being held accountable for meeting the provisions of their charter, charter schools and districts are exempt from state laws governing school districts. They are not exempt from either the California State Constitution or federal regulations and requirements.

#### NOTICE

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## CALIFORNIA STATE BOARD OF EDUCATION SUMMARY OF THE CHARTER SCHOOLS ACT OF 1992

### Background:

The Governor recently signed SB 1448 (Chapter 781, Statutes of 1992), authored by Senator Gary Hart, which establishes a procedure for individuals to petition local school district governing boards to establish charter public schools.

Under current law, public elementary and secondary schools are operated under the governance of school districts and county offices of education and are regulated by a variety of state and federal statutes and regulations. Schools can currently acquire flexibility through waivers of state law or regulation, but these tend to be granted one issue at a time. SB 1448 requires charter schools to comply with all the provisions in their charter petition, but otherwise exempts these schools from the state laws governing school districts. SB 1448 does not, however, exempt charter schools from either the California State Constitution or federal regulations and requirements.

### Intent:

It is the intent of SB 1448 to provide opportunities for teachers, parents, students, and community members to establish and maintain schools that operate independently from the existing school district structure, as a method to accomplish all of the following: (a) improve student learning, (b) increase learning opportunities for all students, with special emphasis on expanded learning experiences for students who are identified as academically low achieving students, (c) encourage the use of different and innovative teaching methods, (d) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site, (e) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, and (f) hold the schools established under SB 1448 accountable for meeting measurable student outcomes, and provide the schools with a method to change from rule-based to performance-based accountability systems.

### Funding:

SB 1448 requires the State Superintendent of Public Instruction (SSPI) to apportion funding for each unit of regular average daily attendance in the charter school in an amount equal to the base revenue limit for the school district to which the charter petition was submitted. In addition, funding must be provided to the charter school for special education services and categorical programs to the extent that the charter school serves students who are eligible for this funding.

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**Steps To Establishing a Charter School:**

***Step One: Develop the School Charter***

SB 1448 requires a charter school petition to contain specified educational as well as procedural elements before it can be approved by the local governing board. These elements are enumerated on pages four and five under Elements of a School Charter. For purposes of SB 1448, the "charter" refers to the document that contains those required elements described on pages four and five. The "charter petition" or "petition" refers to the entire document, including both the charter and the required signatures, that is submitted for review to the local governing board.

***Step Two: Circulate the Charter School Petition***

A petition for the establishment of a charter school may be circulated by any person seeking to establish the school, except that a private school may not seek to convert to a charter school. The petition must be signed by not less than 10% of the teachers currently employed in the school district, or by not less than 50% of the teachers employed at one school in the district.

***Step Three: Submit Petition to Local Governing Board***

After securing the required signatures, the petition may be submitted to the governing board of the school district for review. No later than 30 days after receiving the petition, the governing board must hold a public hearing on the provisions of the charter.

***Step Four: Local Governing Board Approval***

Within 60 days of receipt of the petition, the local governing board must review the petition, determine that the charter contains all of the elements specified by SB 1448, consider the level of employee and parental support for the petition, and either approve or deny the petition. The governing board may also require that the petitioner provide additional information regarding the proposed operation and potential effects of the school, including the facilities to be utilized by the school, the manner in which fiscal services are to be provided, and potential civil liability effects on the school and school district. The governing board is required to give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to students identified by the petitioner as academically low achieving pursuant to the standards established by the California Department of Education for purposes of identifying students for Economic Impact Aid funding. A charter may be granted for a period not to exceed five years. It may be granted for subsequent five-year renewals. A material revision of a charter petition may be made only with the approval of the authority that granted the charter (in this case, the local governing board). A charter may be revoked by the granting authority at any time if the authority finds that the school did any of the following:

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Goals

Committed a material violation of any of the conditions, standards, or procedures set forth in the charter petition.

- ◆ Failed to meet or pursue any of the student outcomes identified in the charter petition.
- ◆ Failed to meet generally accepted accounting standards of fiscal management.
- ◆ Violated any provision of law.

***Step Five: Provide Notice to the State Board of Education (SBE)***

Upon approval of the petition by the local governing board, the petitioners must provide written notice of the approval, including a copy of the petition, to the State Board of Education.

***Step Six: The State Board of Education Assigns Numbers***

The State Board of Education has the responsibility, when it receives a charter school petition, of making sure that it has the appropriate signatures, has been approved by the local governing board, and that the charter contains all of the components specified in SB 1448. The State Board of Education will assign a number to complete charter petitions only on a first come, first served basis. SB 1448 specifies that there be no more than 100 charter schools operating in the state at one time. The State Board of Education has no authority to assign a number until the statute becomes effective on January 1, 1993.

**If the Local Governing Board Does Not Approve the Charter Petition:**

SB 1448 spells out several additional steps if the local governing board does not approve the charter petition:

- (1) If the governing board of the school district denies a charter petition, the county superintendent of schools, at the request of the petitioners, shall select and convene a review panel to review the action of the governing board. The review panel must consist of three governing board members and three teachers from other school districts in the county, or from adjoining counties if there is only one district in the county. The county superintendent of schools has a tie breaking vote.
  - (2) If the review panel determines that the governing board failed to appropriately consider the charter petition, or acted in an arbitrary manner in denying the petition, the panel shall request the governing board to reconsider the charter petition.
  - (3) If, on reconsideration, the governing board denies a charter petition, the county
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board of education, at the request of the petitioners, shall hold a public hearing under the same conditions and timelines as those described under steps three and four on page two for local governing board approval, and may grant a charter.

**Charter School Districts:**

SB 1448 also describes an option for creating a "charter school district" in which a school district may convert all of its schools to charter schools if it meets the following conditions: (1) Fifty percent of the teachers within the school district sign the charter petition; and, (2) the charter petition contains all of the elements required of an individual school charter petition and a provision that specifies alternative school attendance arrangements for students living within the school district that choose not to attend charter schools. In addition, no more than 10 schools in a single district can become charter schools. A districtwide charter petition may not be granted without the joint approval of the SSPI and the SBE.

**Elements of a School Charter:**

- (1) A description of the educational program of the school, designed, among other things, to identify those whom the school is attempting to educate, what it means to be an "educated person" in the 21st century, and how learning best occurs. The goals identified in the program must include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.
- (2) The measurable pupil outcomes identified for use by the charter school. "Pupil outcomes," for purposes of this part, means the extent to which all students of the school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the school's educational program.
- (3) The method by which pupil progress in meeting those pupil outcomes is to be measured.
- (4) The governance structure of the school, including but not limited to, the process to be followed by the school to ensure parental involvement.
- (5) The qualifications to be met by individuals to be employed by the school.
- (6) The procedures that the school will follow to ensure the health and safety of pupils and staff. These procedures shall include the requirement that each employee of the school furnish the school with a criminal record summary as described in Section 44237.
- (7) The means by which the school will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.
- (8) Admission requirements, if applicable.
- (9) The manner in which an annual audit of the financial and programmatic operations of the school is to be conducted.
- (10) The procedures by which pupils can be suspended or expelled.
- (11) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement

System, or federal social security.

- (2) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.
- (13) A description of the rights of any employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school.

In addition to the elements specified above, a charter school must:

- ◆ Meet the statewide performance standards and conduct pupil assessments that include authentic performance-based assessments developed by the California Department of Education pursuant to Section 60602.5. The performance standards developed under this section will allow pupils to demonstrate their integration of knowledge across major subject areas.
- ◆ Be nonsectarian in its programs, admission policies, employment practices, and all other operations, and cannot discriminate against any student on the basis of ethnicity, national origin, gender, or disability.

Finally, a charter school may not charge tuition.

The California Department of Education is required to review the educational effectiveness of the charter school approach and, by January 1, 1999, report to the Legislature with recommendations to modify, expand, or terminate that approach.

For more information on SB 1448, contact the Regional Programs and Special Projects Division in the California Department of Education at (916) 657-2516.

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# CALIFORNIA STATE BOARD OF EDUCATION CHARTER SCHOOLS QUESTIONS

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## OVERVIEW QUESTIONS

### *What is a "charter school"?*

A charter school is a school which is organized by a group of teachers, community members, parents, or others and sponsored by an existing local public school board or a county board of education. The specific goals and operating procedures for the charter school would be spelled out in the agreement between the board and the organizers, but the school is freed from most State statutes and regulations.

### *What is the purpose of a "charter school"?*

The purpose of these schools is to improve student learning; encourage the use of different and innovative teaching methods; create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site; provide parents and students with expanded educational opportunities within the public school system without the constraints of traditional bureaucratic rules and structure; and provide schools a way to shift from a rule-based to a performance-based system of accountability. In essence, charter schools allow for increased flexibility in exchange for increased accountability.

## QUESTIONS ABOUT THE PROCESS

### *Who is eligible to write a charter?*

Anyone may write a charter. However, charter developers must obtain the signatures of at least 50% of the teachers at a school or 10% of the teachers in the school district to which they submit the charter.

### *What is the timeline for developing and approving a charter?*

Charter petitioners can begin to develop their charter at any time and a local governing board could act to approve a charter whenever it chose to do so. The law specifies that a local governing board has 30 days after receipt of the petition to hold a public hearing. The board also has 60 days to approve or deny the charter. This period can be extended by another 30 days upon mutual agreement of the board and the petitioners.

Since SB 1448 does not take effect until January 1, 1993, the 30 day and 60 day time periods do not begin until that date. However, if a board chooses to hold a hearing before January 1, 1993, it may do so.

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***Are there any restrictions on the establishment of a charter school?***

There are a few restrictions regarding the establishment of charter schools. An existing private school may not be converted to become a charter school. A charter school must be nondenominational. It may not discriminate nor can it charge tuition. In addition, it must achieve a racial and ethnic balance among its pupils that is reflective of the general population residing in the district. No pupil can be required to attend a charter school, nor can teachers be required to teach there.

***What is the requirement for signatures if the charter creates a new charter school that is not part of an existing school?***

The charter petition must be signed by either ten percent of the teachers in the district, or 50% of the teachers at any school. In the case of a creation of a new school, signatures may be obtained from 50% of the teachers in any school. The signatures need not be those of the teachers who will teach there. In fact there is no connection between signatures on a charter and future employment in the charter school. A teacher who signs a charter school petition is not agreeing to work there, nor conversely, is the charter school making a commitment to employ teachers who sign the petition. Signature on a charter petition indicates that the signer supports the creation of the charter school in the district.

***The bill talks about a "petition" and a "charter." What is the relationship between these two?***

As used in SB 1448, the petition contains both the signatures of the requisite number of teachers and the charter, which includes descriptions of the fourteen points specified in the bill.

***What provisions are there for individuals who are not teachers to enter a school campus for purposes of obtaining the signatures of teachers for a charter school petition?***

Any individual who is not a student, parent, school employee or other public employee must register with the principal of the school campus in order to remain on school grounds. An individual must, upon request, furnish specified information including the purpose for entering the school grounds. An individual may be refused registration only if the principal has a reasonable basis for concluding that the individual's presence or acts would disrupt the school, its students, its teachers, or its other employees; would result in damage to property; or would result in the distribution or use of unlawful or controlled substances.

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proposals received before the first day of business after the close of business hours of any given day. On the day on which the proposals to fill the remaining positions are received on the day on which

***Can the governing board amend the charter prior to adoption?***

The charter may be amended if the petitioner(s) agrees. However, if the charter has been amended substantively, the petitioner must re-obtain signatures from the requisite number of teachers.

***What should a local governing board consider in deciding whether to approve a charter?***

SB 1448 specifies that the local governing board must:

- \* Consider teacher and community support
- \* Grant preference to charters that demonstrate the ability to provide "comprehensive learning experiences" to students identified as low achieving.

In addition, the board may consider any other issues it deems appropriate; there are no restrictions.

***Can a district with less than ten schools convert all of its schools to charter schools without the approval of the SSPI and SBE?***

No. Any district wishing to convert all of its schools to charter schools must submit a district-wide charter petition. This includes one-school districts seeking to convert to a charter school.

***Can a district with more than ten schools become a charter district?***

SB 1448 specifies that there may not be more than ten schools in a single district. However, SB 1448 does not define "school"; thus it may be possible for a "school," for the purposes of this bill, to have several sites.

***What procedure would a district follow to become a charter school district?***

The district would present its proposed charter, which must contain all of the components specified in SB 1448, with the required signatures, to the State Board of Education for assignment of a number or numbers, and to the State Superintendent of Public Instruction and the State Board of Education for approval. Upon approval, these two agencies become the charter granting agency for the purposes of the district-wide charter.

***How soon can a charter school "get in line" for its number from the SBE?***

SB 1448 becomes effective on January 1, 1993. As a result, the State Board of Education has no authority to assign numbers before January 1, 1993. Charter

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Proposals received before January 1 will be treated as if they were received on the first day of business after January 1. All charter proposals received during business hours of any given day will be treated as having been received at the same time. On the day on which the number of proposals received exceeds 100, enough proposals to fill the remaining slots will be selected at random from those proposals received on the day on which the one hundredth proposal was received.

***How should we go about requesting a number from the State Board?***

In order to request a number from the State Board of Education, charter petitioners should send the following:

- A complete charter petition. The charter must substantially respond to all required elements and contain the required language regarding nondiscrimination and other required statements of assurances.
- Evidence that the required public hearing was held. This will normally be a copy of the public hearing notice.
- Evidence of local governing board approval. This will normally be a copy of the resolution passed by the board granting the charter, certified by the board president or secretary.
- A copy of the pages of the petition that contain the signatures of teachers, Include a description of how the attached signatures meet the signature requirement specified in SB 1448 (e.g. If the 10% criteria is being used, the number of teachers employed by the district, the number that signed the petition, and the percentage that represents. If the 50% criteria is used, the name of the school the teachers are employed at, the total number of teachers employed at that school, the number of teachers at that school that signed the petition, and the percentage that represents. There should also be a statement, signed by an appropriate district official, that certifies that the teachers that signed the petition are employed by the district, and in the case of 50% from a specific school, that they are employed at that school.)

The State Board cannot assign numbers to charter petitions which are not complete. Completed charter petitions should be sent to:

State Board of Education  
Fifth Floor  
721 Capitol Mall  
Sacramento, CA 95814

State Board of Education  
Charter Schools

The law is clear that no state-wide charter petition would be granted if it would result in students either within the district or in a charter school having a net enrollment loss.

Can a charter school have a net enrollment loss?

Yes. But these may not be the best options.

**Are charter schools in a charter school district counted as among the 100?**

Yes.

**How long can the charter be granted for? Is it renewable?**

The charter may be granted for no more than five years. Charter school charters can be renewed for additional five year periods, but the law is silent on whether district-wide charter petitions are renewable.

**If a local board does not grant a charter, and a county board does, does the county board become responsible for continuing oversight of the charter school?**

Yes. If the county board approves the charter, it is the granting agency. The bill specifies that it is the charter granting agency which has the power, at any time, to revoke the charter. The power to revoke clearly implies a responsibility for oversight; however, the terms and conditions of this oversight are left to local discretion to spell out.

**Can a county-run school become a charter school?**

Yes. A county office is considered a school district. Thus teachers employed in a county office school could sign a petition to convert a county-run school to a charter school.

**If a charter is revoked or a charter school closes, what happens to its "number"?**

If a charter closes for any reason, the number reverts to the State, which will assign it to the next applicant on the waiting list.

**WHAT MIGHT A CHARTER SCHOOL LOOK LIKE?**

**What constitutes a school ?**

SB 1448 does not define school. A charter school might be an existing school, a school-within-a-school involving only some grades or some classrooms, or it might involve classrooms at a number of sites. There are a vast number of possibilities.

**If a district-wide charter petition is submitted and approved, how does the district provide alternative enrollment options for parents who do not wish to attend a charter school?**



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The law is clear that no student can be required to attend a charter school. A district-wide charter petition would have to spell out alternative attendance options for students either within the district or in another district.

***Can a charter school have admission requirements?***

Yes. But these may not operate in a way which is discriminatory. Many private schools and some magnet schools operate with admission requirements which are not considered to be discriminatory.

***What is the residency requirement for a charter school?***

A student must be a resident of the State of California. A charter school may not restrict its enrollment on the basis of the residency of pupils' parents. An exception is that if an existing school converts to become a charter school, consideration must be given to students who live in the attendance area of the existing school.

***Does a charter school have to teach the core curriculum?***

Rather than requiring a curriculum, the law requires accountability for student learning across all major subject areas. Specifically, a charter school must meet the statewide performance standards and conduct the pupil assessments required under Ed. Code Section 60602.5. These sections refer to the new statewide assessment program (which is currently under development).

**GOVERNANCE ISSUES**

***Does a charter school have a school board? Could it be governed by an existing school board? Could it be a nonprofit organization?***

SB 1448 only requires that the charter specify what the governance structure is. Charter schools could be organized as nonprofit corporations, which are required to have a board of directors; they could be corporations; or they could be operated by a professional association of teachers. Other structures and ways of organizing are also possible.

***Are charter schools part of the school district?***

Yes. However, SB 1448 specifies that charter schools "shall be deemed to be under the exclusive control of the offices of the public schools". Such offices are local governing board members, county governing board members, County Superintendents, the State Superintendent, and the State Board of Education. When a charter petition is granted by one or more of these agencies, the school remains

State Board of Education  
Schools

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Beginning teacher support  
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Child nutrition  
School/law enforcement

under its control. This does not necessarily imply immediate supervision, but it does imply responsibility and liability.

***Could the charter specify an ongoing relationship with the school district, including contracting with the district for some services.***

Yes. A charter school operates outside of the existing district structure except to the extent that the charter petition includes that structure. A charter school might opt to contract with the district for insurance, maintenance, payroll services, etc. A charter school might also opt to contract with other agencies.

**FUNDING**

***What funding will a charter school receive?***

SB 1448 specifies that charter schools will receive, for each unit of regular average daily attendance, an amount equal to the current fiscal year base revenue limit for the school district to which the charter petition is submitted. In addition, the charter school will receive State and Federal funds for special education services and for other categorical program services to the extent to which any pupil in the charter school is eligible to participate.

***What categorical programs are included?***

SB 1448 specifies that charter schools will receive funding to which they are entitled under all of the programs included as a part of the supplemental grant calculation. These include:

- High school pupil counseling
  - Home-to-school transportation, excluding special education transportation
  - School Improvement Program
  - Vocational education pupil organizations
  - Specialized secondary schools
  - Foster youth services
  - Opportunity classes and programs
  - Pupil dropout prevention
  - Economic Impact Aid
  - Gifted and talented education
  - Miller-Unruh reading program
  - Intergenerational education
  - Native American Indian education
  - Demonstration programs in reading and math
  - Partnership academies
  - Agricultural vocational education
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- Environmental education
- Instructional materials for grades 9 to 12
- Mentor teach program
- Beginning teacher support and assessment
- Reader services for blind teachers
- Child nutrition
- School/law enforcement partnership
- Educational technology program
- Small school district bus replacement

Second, SB 1448 specifies that charter schools will receive funding allocated through the consolidated application process. These include, in addition to those specified above:

- School library programs
- Staff development centers and programs
- School improvement programs
- Bilingual education programs
- School-based coordinated categorical programs
- Economic Impact Aid programs
- The Miller-Unruh Basic Reading Act of 1965
- Compensatory education programs, except for programs for migrant children

***What about programs which are included on this list but which are not apportioned on a per pupil basis?***

There are a number of programs such as transportation and EIA, for example, to which the charter schools are clearly entitled but which are not apportioned on a per pupil basis. Thus for these programs, the law does not specify the exact method by which the apportionment to the charter school should be calculated, though the intent of the bill is clear that the charter school should receive the same level of support that it would have received had it been a non charter school serving the same pupil population in the same district. In the case of these programs, charter petitioners and school districts should work to arrive at a mutually understood solution and spell this out in the charter.

***What about funding sources not listed in the above list? Would an existing school which was receiving funding as a necessary small school lose that funding? What about basic aid districts? Would a charter school receive the basic aid payment?***

The key to answering all of these questions is to return to two basic concepts: SB 1448 is intended to be revenue neutral both to the state and to individual schools;



and, SB 1448 is intended to establish a locally-administered program. These make it clear that a district or county operating a charter school will continue to receive basic aid funding or necessary small school funding to the extent that the district was receiving these funds before establishing the charter school. Developers of charter petitions should specify a resolution of these funding issues in the charter petition whenever possible.

***What if the charter school enrolls students from outside the district? Are these students served at the revenue limit of the student's home district or the receiving district?***

The attendance area for a charter school is the entire state. This means that students from outside the district are served at the revenue limit of the charter granting district, not their home district. It also means that students wishing to attend a charter school do not have to request an interdistrict transfer.

***Is the charter school a separate fiscal agent?***

A charter school creates a new kind of entity, one which behaves in some ways like a school (it reports to the school board) and in other ways like a separate school district (it is not subject to district policies). The Department of Education will not consider the charter school to be a separate fiscal agent and will continue to make apportionments without regard to the existence of charter schools. The district or county office and the charter petitioner might agree that the district or county office will continue to operate as the fiscal agent for the school. In this case the school would have a line of credit with the school district in an amount which would be calculated as specified in the charter petition. Alternatively, the fiscal agent and the school might agree that the school will do its own accounting and operate as its own fiscal agent. This might occur in the case in which a nonprofit corporation, which has existing fiscal management systems in place, is operating a school. In this case the district or county office would pass funds directly to the school.

***What about ADA? The bill specifies that the Department shall make apportionments on the basis of average daily attendance (ADA). Does this mean that schools must certify ADA in all the usual ways (i.e. attendance accounting, instructional time, etc.)?***

Yes. Though charter schools are exempt from laws governing school districts, the Department is still subject to all existing education code sections regarding how it apportions funds. Thus charter schools must meet existing reporting requirements in order to certify their ADA. In addition, they must meet existing requirements for numbers of days of school and for numbers of minutes of instructional time in order to receive the incentive funding for longer school day and year which was authorized under SB 813.

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***What about audits? Must charter schools meet existing audit standards?***

SB 1448 specifies that the charter petition must describe "the manner in which an annual audit of the financial and programmatic operations of the school is to be conducted." Audits are conducted by local auditors in accordance with accounting standards which are described in the accounting manual which is developed by the Office of the Controller in collaboration with the Department of Finance and Department of Education. No audit standards have yet been developed which apply specifically to charter schools. Charter granting agencies and developers of charter petitions should specify what audit standards and reporting requirements they propose. Audit standards developed for charter schools should in no case represent a lower standard of accountability than those which exist for noncharter schools. At the same time, variations from existing standards may be appropriate to reflect school designs which represent a significant departure from current practice.

***Can independent study programs apply? What revenue limit will these programs receive? Can independent study programs serve students who are not eligible under current law?***

Independent study programs can apply and will receive the independent study revenue limit amount as long as they continue to certify attendance via independent study accounting procedures.

***What about AB 1200? Will county offices of education have to certify the budgets of charter schools?***

County offices of education will have to certify the budgets of school districts, including those operating charter schools. The school itself, however, is not required to submit reports to the district, except as specified in the school's charter. At a minimum, a district could submit a budget which included a single line and lump sum amount which included the budget of the charter school. A local governing board, in negotiating with charter petitioners, might also wish to specify a greater level of detail when requesting a budget from a charter school.

***What about facilities? If a school building is to be used by a charter school, who owns the building?***

Since the charter school is still part of the district, the facility still belongs to the district. The charter needs to spell out who is responsible for maintenance and insurance on the facility, as well as any other financial arrangements regarding facilities which may arise.

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## LIABILITY AND LEGAL ISSUES

### ***Are charter schools subject to the Brown Act?***

Charter schools are not subject to the laws governing school districts. However, there is another set of laws which govern public agencies. These laws include, for example, the Brown Act (which requires that public agencies conduct public meetings) and others. Charter schools are subject to these.

### ***What flexibility is available to charter schools?***

Charter schools are exempted from State laws governing school districts (see section 47610). Federal laws, regulations and requirements still apply. Charter schools are not exempt from the provisions of the Constitution of the State of California. Finally, charter schools are bound by all of the laws and regulations that protect the rights of individuals.

### ***Are charter schools exempt from Federal regulations and requirements?***

No, to the extent a charter school receives federal funds, it must meet the federal requirements associated with that funding. To receive categorical funding, districts operating charter schools will be required to submit a Consolidated Application for Funding (formerly SDE100) that includes the charter school.

### ***What does this mean about Coordinated Compliance Reviews (CCRS)? Will Charter Schools go through CCR?***

CCRs are a part of the process used by the California Department of Education to meet its statutory responsibility to certify to the Federal government that California schools which receive Federal categorical funds are in compliance with Federal statutes. As stated above, charter schools which receive categorical funds will continue to be required to comply with Federal statute. The Department will continue to do Coordinated Compliance Reviews of districts, including those operating charter schools, on a three-year schedule, and it will continue to conduct site-level reviews of a random sample of schools in the district. In the event that a charter school is selected for review, the Department would have the option of conducting a review or developing an alternative process by which it could certify that the charter school was in compliance.

### ***Must charter schools develop a School Accountability Report Card?***

Yes. However, the specific content and format of such a report card, as specified in statute and district policies, does not apply to charter schools. Thus they are free to develop a Report Card which reflects local accountability and communication needs.

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