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State Board Adopts Controversial “Prop 39” Revisions

The State Board of Education approved controversial revisions to the regulations governing school districts’ obligations to provide facilities pursuant to Proposition 39. The adoption is the second-to-last step in a months-long process to revise the detailed regulations that specify how school districts must provide facilities to charter schools. The regulations are pending final review by the Office of Administrative Law. This article provides a summary of the pending revisions.

Prop 39 Background

Proposition 39, a ballot measure approved by California voters in 2000, added Education Code statutes that generally require school districts to provide facilities to charter schools. These statutes took effect in 2003 and have generated considerable controversy since their inception, including three major appellate-level court decisions (more than any other charter-related topic). The terms of Proposition 39 were both sweeping and somewhat vague and called for the California Department of Education (CDE) to propose and the State Board of Education (SBE) to adopt regulations to govern and implement them.

Several years ago, CDE convened a working group of charter school and school district representatives to craft the first set of regulations to govern Proposition 39. Though spirited, the

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CHARTER FUNDING TO INCREASE, BUT LEGISLATURE HOLDS CHARTER FACILITIES FUNDS HOSTAGE

The governor’s annual “May Revise” to his proposed 2007-08 state budget would increase funding for the K-12 cost-of-living adjustment to 4.53 percent and would lease the state’s lottery to the private sector. This year’s May Revise includes a mix of perfunctory caseload and economic updates combined with a variety of interesting fiscal policy proposals. The result for charter schools is likely to include increased funding relative to prior estimates, pending final action by the legislature and governor later this summer. Meanwhile, legislative budget subcommittees adopted language to hold SB740 charter facilities funding hostage to enacting legislation to curtail the State Board of Education’s statewide chartering authority. This article reviews the governor’s major proposals, tempered by initial legislative responses, and

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working group discussions resulted in a consensus set of regulations that included a broad range of provisions that defined key terms, established a loose timeline for requesting and offering facilities, and included a controversial dispute resolution process that ended in binding arbitration. These original regulations were adopted in full by the State Board in 2003. The binding arbitration provisions, however, were later “retracted” in an unusual move by the powerful California Department of Finance—the department feared that the binding arbitration process could lead to state-mandated cost reimbursement claims. Charter advocates felt betrayed by the retraction of the binding arbitration provision.

In recent years, charter schools and school districts have clashed over the implementation of Proposition 39. Charter schools note that many districts refuse to follow the law and offer either no facilities at all or marginal ones that do not meet the terms of the law. Several such disputes have boiled-over into the courts, leading to a confusing array of court decisions and ongoing controversy. In recent weeks, several additional schools have sued the Los Angeles Unified School District, alleging that the district is not complying with the terms of Proposition 39.

In an effort to stem these controversies and to ensure increased compliance with the law, the CDE convened a new working group last year. The working group, which included charter school representatives (CSDC, CharterVoice, CCSA) and school district representatives met over a several month period. Unlike the original working group, the tenor of the discussions was pointed. CDE staff drafted nearly a dozen versions of regulatory revisions in an attempt to steer a consensus course between stakeholder groups and the law. The CDE’s proposed revisions proposed extensive revisions to key definitions, timelines and process for requesting and offering facilities, and also included a binding arbitration provision to resolve disputes. After several stalled attempts, the SBE, bowing to pressure from the California Teachers Association (CTA) and school district advocates, made a few minor amendments and also deleted the binding arbitration provision, and adopted the revised regulations at its May meeting.

School district and CTA representatives continue to oppose the revised regulations and a CTA lobbyist bluntly threatened political and/or legal reprisal in the wake of the SBE’s adoption of the regulations.

Summary of Key Changes

The general thrust of the amendments is to ensure that charter school students, as required by Proposition 39, “be given the same consideration as students in the district-run schools.” Toward that end, the revisions include the following major changes.

Key Terms Clarified

Many of the amendments are intended to clarify key terms in the law. The major clarifications include the following terms:

- o **Contiguous**—Proposition 39 generally requires that the facilities provided to charter schools be “contiguous.” In response to districts that have offered to spread charter schools across several non-contiguous facilities, the revised regulations generally require that districts give the same consideration to charter school students as students in district-run schools. If districts are unable to offer contiguous space, the regulations would require districts make special findings that a charter school “could not be accommodated at a single site” prior to offering non-contiguous space.
- o **Furnished and equipped**—Proposition 39 requires that the facilities provided must be “furnished and equipped,” but says little about how. The original regulations simply required that districts provide “equipment necessary to conduct classroom instruction (i.e., at a minimum, desks, chairs, and blackboards).” The revised regulations would specify that furnishings and equipment must be “reasonably equivalent” to that provided to non-charter schools, deletes the minimum reference to desks, chairs, and blackboards, and expands the definition to include all items that “directly support classroom instruction as found in a comparison group of [district-run] schools.”
- o **Comparison group**—Proposition 39 generally calls for districts to provide facilities that are equivalent to those provided for in-district students. The original regulations established a comparison group of schools based on local feeder patterns and grade spans, but failed to address how to compare a charter school that serves a non-traditional grade span for which there is no district comparison. The amended regulations would establish the benchmark comparison schools as those “most consistent with the needs of students in the grade levels served at the charter school.” They also specify that the “district is not obligated to pay for the modification of an existing school site to accommodate the charter school’s grade level configuration.”

o **Classroom ratio**—The initial regulations required that charter schools be provided an equivalent number of teaching stations (classrooms) as compared with the district comparison schools. The original definition of “teaching stations” included loopholes that permitted districts to exclude many small and relocatable classrooms from the comparison calculations. The revisions would tighten the definition of the calculation to ensure charter schools receive a comparable number of classrooms. Only so-called “interim housing” classrooms that are used during renovation of existing classrooms could be excluded from the calculation.

o **Specialized space**-- The initial regulations required that charter schools be provided equivalent access to



specialized space such as science labs, gyms, auditoriums, libraries, computer labs, etc. The amendments would tighten the definition to ensure comparability with district-run schools and require districts to negotiate in good faith with charters to establish time allocations for shared spaces. Previously, some charter schools reported that they were offered access to cafeterias at non-meal times and were permitted only very limited access to other facilities.

o **Condition**—The original regulations called for charter schools to be offered facilities that are in a condition comparable to that of the comparison district schools. The amendments would broaden the definition of “condition” to include factors such as age, quality, and state of maintenance. They also expand the scope to include athletic field and/or play area space.

Revised Timeline For Requesting and Offering Facilities

In an attempt to compel school districts and charter schools to enter into a give-and-take dialogue, the amended regulations would revise the timeline and process for requesting and offering facilities. The amended regulations also attempt to clarify and focus the information that a charter school would need to include in a facilities request and call for CDE to develop a standard request form and instructions. Requests submitted pursuant to CDE’s instructions would be deemed complete, ideally limiting the extensive disputes over what constitutes a complete facilities request.

The key dates and features of the new timeline and process include the following:

- o **November 1st**, charter schools must submit their facilities requests and petitions for new charter schools seeking facilities must be submitted to school districts. Under the original regulations, requests generally were submitted by October 1st (or December 31st for proposed new schools) and charters were submitted by November 15.
- o **December 1st**, school districts must review the requests and, if it has concerns regarding any, raise any objections or concerns with the relevant school. If a district fails to object by December 1, a school’s request would be deemed sufficient.
- o **January 2nd**, charter schools must respond to any district objections by either modifying or reaffirming the original request. If a school fails to meet this deadline, the district may project the school’s facilities needs.
- o **February 1st**, the district must provide written, preliminary facilities proposals to charter schools.
- o **March 1st**, charter schools must respond in writing to districts’ preliminary offers, expressing any concerns and/or making counter-proposals.
- o **April 1st**, districts must provide detailed, final facilities proposals to charter schools.
- o **May 1st or 30 days after receipt of final facilities proposal**, charter schools would need to notify the district of whether it intends to occupy the proposed facilities.

The revised timelines would permit pre-existing schools to submit their facilities requests one month later than under the original regulations and will require districts to provide more

detailed preliminary offers and engage in counter-proposals. New charter schools, however, will need to submit their requests two months earlier than under the original regulations, giving districts significantly longer lead time to accommodate them.

If charter schools object to districts' proposals, the revised regulations would include a voluntary ("only if agreeable to both parties"), non-binding mediation process—in lieu of the binding arbitration process proposed by CDE. If either party refuses to mediate, or if mediation is unsuccessful, disputes would presumably need to be taken to court.

Other Key Amendments

Other major amendments include the following:

- o **District fees**—Proposition 39 permits districts to levy a pro-rata share of their facilities maintenance costs and separate Education Code

provisions permit districts to charge charter schools up to one percent of the school's revenues for district's oversight costs. The code also permits districts to charge up to three percent if the district provides "rent free" facilities to charter schools. In some cases, districts have levied substantial facilities maintenance fees and also charged the additional 2 percent increment for oversight costs. The revised regulations provide that facilities are not "rent free" if the district levies maintenance fees, thereby capping oversight charges at one percent if maintenance fees are levied.

- o **Conversion school issues**—The revised regulations include various and complex provisions that permit pre-existing public schools that are converting to charter status to continue to occupy their prior facilities and to limit districts' ability to change attendance boundaries.

- o **Mutual indemnification**—The revised regulations would require a reciprocal hold-harmless and indemnification clause to be included in facilities use agreements. Current regulations only call for charter

schools to provide liability protection for school districts.

- o **Mutually-agreeable alternatives**—The revised regulations would also explicitly authorize, but not require, charter schools and districts to enter into mutually-agreed alternative arrangements to meet the goals of Proposition 39 (e.g., providing cash in lieu of facilities).

Taking Effect This Fall?

Following the SBE's adoption, the proposed amendments will be reviewed by the Department of Finance and then the Office of Administrative Law (OAL). Assuming they move expeditiously and approve them, we presume the amended regulations would take effect in time for this fall's round of facilities requests. CSDC will provide additional information in publications and workshops after the amendments are approved by OAL. Contact CSDC if you would like a copy of the amendments.

--Eric Premack

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provides CSDC's preliminary May Revise funding estimates for the 2007-08 school year.

Estimated 2007-08 General-Purpose and Charter Categorical Block Grants

The cost-of-living adjustment (COLA) factor would increase from the 4.04 percent included in the governor's original January budget proposal to 4.53 percent based on updated economic inflation data. The increased COLA, along with updated, actual data from the 2006-07 First Principal Apportionment yield CSDC's

increased general-purpose funding estimates as shown in Table 1.

Estimated Charter Categorical Block Grant funding is slated to increase to \$500 per ADA based on previously-negotiated increases to the grant. As explained in more detail below, funding for the Block Grant in the current year is falling short of the \$400 per ADA entitlement level for 2006-07 due to inadequate amounts appropriated. CSDC and CharterVoice are working to press officials at the California Department of Education and Department of Finance to ensure that these deficits are, in fact, backfilled. Though it is possible that both current and 2007-08 amounts

could fall short, CSDC believes this is not likely and that charter schools may reasonably budget the full \$400 per ADA amount in the current year and \$500 per ADA for the 2007-08 fiscal year.

Major Categorical Programs

Funding for major categorical programs would also increase slightly due to the increased COLA. CSDC's estimated funding rates for major categorical programs are shown in Table 2 and most reflect the 4.53 percent COLA.

Schools should note that 2007-08 funding for the In-Lieu Economic Impact Aid Program is slated to be funded on the basis of prior-year (2006-

07) counts of students whose family incomes meets federal poverty guidelines. The poverty family income guidelines are substantially lower than the prior free/reduced price meal income guidelines and thus the program now funds a much smaller number of students, albeit at a higher rate. For pre-existing schools, these poverty income eligibility data were reported to CDE at the First Principal Apportionment. For new schools, current-year data will be used. CSDC believes that many charter schools were unaware of this eligibility change and may have inadvertently reported the wrong data (e.g., free/reduced price meal eligibility) to CDE.

Schwarzenegger Proposes Leasing Lottery

Current-year sales by the California Lottery are lagging. Based on sluggish distributions from the first two quarters of 2006-

Table 1: Estimated Charter School Funding Rates 2007-08 Fiscal Year (CSDC's Estimates Based on May Revised Proposals)				
	K-3	4-6	7-8	9-12
General-Purpose Grant	\$5,590	\$5,674	\$5,836	\$6,766
Categorical Block Grant	500	500	500	500
Totals	\$6,090	\$6,174	\$6,336	\$7,266

07, CSDC is reducing its estimated lottery rates to \$137 per ADA in both the 2006-07 and 2007-08 fiscal years.

In an apparent effort to earn additional funds, Governor Schwarzenegger announced a proposal to lease the California lottery to private operators. Currently, the lottery is operated under the jurisdiction of a public Lottery Commission and is staffed by public employees. The governor believes that “by allowing a private firm to run the lottery more efficiently and profitably, California will receive more money without giving up ownership” and “education stands to get more money.” The Lottery Commission currently employs several hundred state employees. The governor’s proposal will presumably generate an interesting debate, pitting influential public employee unions that represent state lottery workers against even more influential education lobbies.

Table 2: 2007-2008 Estimated Funding Rates for Major Charter School Categorical and Special Purpose Funding Programs (CSDC's Estimates Based on Governor's May Revised Proposals)	
Grades K-3 Class Size Reduction	\$1,070/eligible student
“In-Lieu” Economic Impact Aid	\$303 per formula student \$5,500 minimum grant for schools serving 1-10 formula students \$8,300 minimum grant for schools serving 11+ formula students
CAHSEE Intensive Remedial Instruction	\$500/grade 12 pupil who has failed CAHSEE
California Lottery	\$137/ADA (variable, \$118/ADA unrestricted, \$19/ADA restricted to instructional materials)
Middle & High School Counseling	\$68.68/student served
Art & Music Block Grant	\$16.66/student

Interestingly, the governor is hedging his bets with respect to this proposal. Specifically, he is silent with respect to where he would spend any increased income from the lottery leasing proposal and has not included any revenue in the projected 2007-08 budget.

Legislature Holds SB740 Facilities Funding Hostage in Statewide Chartering Fight

The governor continues to advocate for a major increase in funding for the SB 740 charter facilities aid program, from \$9 million in the current year to \$43 million in 2007-08. Thus far, however, legislative budget subcommittees are proving cool to the proposed increase. Some of the reluctance, according to senior legislative staff, stems from the legislature’s displeasure over the State Board of Education’s granting of “statewide” charters to large-scale education management organizations (High Tech High, Aspire, and Green Dot). Some school districts, union advocates, and legislative staff believe this is an abuse of the statewide chartering laws. Given these disputes, funding for charter facilities is likely to remain controversial. Thus far, both subcommittees opted to fund approximately \$19 million and make the appropriation contingent on legislation to sharply curtail statewide chartering. In effect, the legislature is planning to hold SB 740 facilities funding, baseline and increases, hostage to plans to curtail statewide chartering. CSDC anticipates that this issue will be among the final ones to be resolved at the end of the budget deliberation process later this summer and recommends against budgeting for any increases in funding until the matter is resolved.

An End to Supplemental Hourly Programs Deficits?

The May Revise proposal includes \$48 million to backfill persistent deficits in prior-years appropriations for Supplemental Hourly instruction. If continued into the budget year, funding rates for Supplemental Hourly programs would increase to the full \$4.08 per student-hour of instruction specified in statute. Table 3 illustrates CSDC’s estimates of the potential impact on funding rates for the four hourly programs.

Where’s The Kitchen Sink?

The governor announced a slew of new and augmented education policy initiatives as part of the May Revise, including, but not limited to the following major items:

- o **School safety:** \$100 million for school safety grants, presumably in response to heightened concern over student safety in the wake of the Virginia Tech massacre and other events.
- o **Career-technical education:** \$100 million for one-time equipment purchases, \$50 million for hiring additional career-tech teachers, and \$25 million for additional career-tech counselors.
- o **Healthier food:** \$24 million to increase meal reimbursement rates to support costs of reducing trans-fat cooking oil, \$11 million to fund the ongoing California Fresh Start program, and \$5.4 million for one-time school breakfast programs start-up grants.
- o **Education data:** \$70 million in several budget items to accelerate development of state databases on longitudinal student achievement (CalPADS) and teacher data (CalTIDES) as well as data definitions in the CSIS system.

- o **2nd grade testing:** Ongoing funding to continue state-mandated testing in the 2nd grade. Current law calls for grade 2 testing to sunset—the governor proposes extending the testing indefinitely.

One small yet interesting item in the May Revise calls for \$300 thousand to support the cost of developing accounting standards to enable better analysis of school district’s expenditures at specific school sites. This proposal would presumably lead to enabling parents and other advocates to determine whether their school districts spend considerably more on schools in one sector of the district at the expense of others. Similar legislation was enacted a few years ago in Minnesota. The Los Angeles school district also engages in similar site-level accounting in the wake of litigation over the equity of the distribution of funds across district schools.

Shortly after the May Revise was released, the Legislative Analyst’s Office discovered a \$366 million error in the calculations that underlie the governor’s general-purpose education funding proposals. The governor quickly admitted to the mistake and pledged to work with the legislature to correct the error. The result is likely to mean that there are relatively few new or one-time funding programs in the 2007-08 fiscal year because limited available funds will be needed to first fund baseline cost-of-living adjustments and other higher-priority items. Thus, CSDC does not believe that it is prudent to budget for any of these new policy initiatives proposed by the governor until after the legislature reviews them and shows that it is inclined to support them. The governor’s proposals do,

Table 3: Estimated Funding Rates for 2007-08 Supplemental Hourly Programs

(CSDC's Estimates Based on Governor's May Revise)

High School Exit Exam Program	\$4.08 / student-hour
Grades 2-9 Retained Students Program	\$4.08 / student-hour
Grades 2-6 Low STAR Scores Program	\$3.00 to \$4.08 / student-hour
Core Subjects Program	\$3.65 to \$4.08 / student-hour

however, indicate the Schwarzenegger Administration's ongoing emphasis on career-technical education, student nutrition, and high-stakes data/assessment.

Budget Adoption on the Horizon?

With the June 15 constitutional deadline to adopt a budget just a few weeks away, the legislature is now in high gear to finalize budget committee work, adopt budgets, and work out differences between each house's versions in a conference committee. CSDC and CharterVoice

will continue to monitor and advocate for charter schools' interests and will provide updated budget data as soon as they become available.

-Eric Premack

INDEPENDENT STUDY AND NON CLASSROOM-BASED INSTRUCTION UPDATES

Delay in University "a-g" Course Approval Policy

A subcommittee of the University of California's Board of Admissions and Relations with Schools (BOARS) recently rejected a proposed revised policy that would have governed the ability of non classroom-based schools to submit their high school courses for approval. The result is continued delays in submissions and approvals of non classroom-based charter schools' courses.

Background on "a-g" Course Approval for Non Classroom-Based Schools

In response to alleged lax instructional practices in non classroom-based schools, the University of California (UC) suspended review of course submissions by non classroom-based schools, pending development of a policy to govern submissions from such schools. For over a year, UC has prohibited new, non classroom-based schools from submitting their courses for "a-g" approval, thereby significantly threatening students' ability to apply for admission to the UC system. The stakes are higher because the California State University system also generally aligns with the UC's requirements.

UC staff has been working for months to draft a new policy for review and approval by BOARS. Most of this work is occurring in private with little opportunity for charter school input or review. Prior draft policies circulated last fall created uproar among non classroom-based schools over concerns that the requirements were impossible to meet. The earlier drafts included requirements such as mandating the following:

- o Access to subject-matter expert teachers with 5 or more years of teaching experience;
- o Students spending at least one hour per week, per college prep course, in a classroom environment (effectively

requiring one day per week onsite for most schools); and,

- o All major tests (unit tests, end-of-course exams) must be proctored by certificated staff.

Though perhaps reasonable requirements for traditional programs, they are generally impossible or impractical for most non classroom-based ones.

Back to the Drawing Board after Committee Rejects Revised Draft

In response to concerns expressed by CSDC, CharterVoice, and others, the UC surveyed non classroom-based charter schools in late 2006. University of California staff did not share the survey results, but did explain that they learned that the proposed draft policies would have proven impractical for many schools. In response, UC staff had redrafted the policies in an attempt to soften the impact and address other concerns. The details of these revised draft policies were not made available for public review.

Publicly available or not, the BOARS subcommittee rejected the revised draft in late April. UC staff report that they will now work on a revised draft and resubmit it to the subcommittee, perhaps later this summer. In the mean time, charter schools and their college-bound students will experience continued delays in “a-g” course approval. CSDC will continue to monitor the process and provide additional details to the extent that UC makes its drafts publicly available.

Infusion of “One-Time” Categorical Funds Complicates Funding Determinations

With around \$250/ADA of new funding from restricted, new and “one-time” categorical programs, non classroom-based charter schools need to budget and carefully account for restricted funds and related expenditures to ensure that they do not run afoul of laws mandating minimum expenditures towards certificated teacher compensation and “instruction.”

Under current law, non classroom-based schools must spend at least 40 percent of their public revenues on teacher compensation and 80 percent on instruction and related services. Failing to meet these thresholds can lead to a substantial fiscal penalty. Though schools’ expenditures are reviewed by the state every two to five years, the expenditure targets are now subject to mandatory audit by external auditors each fiscal year.

Meeting the 40 and 80 percent expenditure targets will be more challenging in 2006-07 because many of the new and one-time funds may not be spent on certificated teacher salaries. CSDC estimates, for example, that at least \$240 per ADA in new and one-time categorical funds for 2006-07 are restricted (e.g., must be spent on non-recurring materials, text, or technology costs) to make it difficult or impossible to spend the funds on teacher compensation except for limited amounts on staff development. The amount may be much larger because many of the programs have minimum funding floors.

The State Board’s Advisory Commission on Charter Schools has approved a vaguely-worded policy stating that they “may consider one-time and special purpose revenues as mitigating factors when making funding determinations.” Presumably, schools that fail to meet the specified spending targets due to the one-time and categorical funds could request that the funding be considered as a mitigating factor. This policy further states that because many of the one-time and categorical funds can be spent on instruction it recommends approving one-time funds as a mitigating factor only when funds could not be spent on instruction and related services. Thus, this vague policy presumably is helpful only as a mitigating factor in the 40 percent calculation related to teacher compensation and unlikely to be found a mitigating factor for the 80 percent calculation related to instructional costs.

CSDC recommends that all non classroom-based schools carefully budget for these revenues, estimate and track the

related expenditures, and ensure that they continue to meet the minimum expenditure thresholds. This task may be challenging due to the unpredictable cash flow schedule for these programs—funds for many will not be received until after the close of the fiscal year. The list of new and one-time categorical funding contained in this issue of Charter Currents should be helpful, though the information is subject to change. Schools that are close to falling below minimum expenditure thresholds should pay particularly close attention and may want to consult with their auditor to determine the appropriate fiscal year in which to book related accrued revenues and expenditures.

-Eric Premack

2006-07 Late Spring Charter Funding Update

Funding rates for the 2006-07 Charter General-Purpose Grant inched up while appropriations for the Charter Categorical Block Grant are falling short of amounts needed. This article provides a brief update on funding rates for the 2006-07 fiscal year, including CSDC’s updated estimates for key programs and prospects for ongoing funding.

Estimated 2006-07 General-Purpose and Charter Categorical Block Grants

Funding rates for the Charter General Purpose Grant increased slightly relative to CSDC’s prior estimates, inching upward by \$2 to \$10 per ADA. The rates certified by CDE at the First Principal Apportionment are shown in Table 1 and are subject

to further change, though any such changes should be minor.

Funding for the Categorical Block Grant and the related In-Lieu Economic Impact Aid is incurring an 18 percent deficit due to the combined effect of both deferred and inadequate appropriations in the budget line item that fund the grant. Fortunately, prior advocacy work by CharterVoice and CSDC led to the insertion of two provisions in law that call for funding of such deficits. CSDC has closely monitored the work of the California Department of Education (CDE) and Department of Finance (DOF) toward triggering the deficit funding mandates. DOF staff recently confirmed that they have approved a request to transfer funds to backfill part of the deficit and previously-deferred appropriations should fund

the remainder. Thus, CSDC believes that the full, \$400 per ADA rate should be funded, though it will take until at least July for the requisite cash to flow.

Funding for 2006-07 supplemental hourly programs is falling short in two of four programs as shown in Table 2 and it’s possible that the deficits will grow as schools and districts report increased participation later this school year. The governor has proposed \$48 million in extra funding in the May Revise to fund some deficits incurred in these programs during the past few years. It is not clear at this time whether the legislature will concur with the governor’s proposals to fund these deficits. Thus the estimated rates shown in Table 2 could vary widely.

The 2006-07 budget and related “trailer” legislation created an unusual

Table 1: Estimated Charter School Funding Rates 2006-07 Fiscal Year				
(CSDC’s Estimates Based on 2007 First Principal Apportionment Data)				
	K-3	4-6	7-8	9-12
General-Purpose Grant	\$5,348	\$5,428	\$5,583	\$6,473
Categorical Block Grant	400	400	400	400
Totals	\$5,778	\$5,828	\$5,983	\$6,873

**Table 2: Estimated Funding Rates for
2006-07 Supplemental Hourly Programs**

(CSDC's Estimates Based on 2007 First Principal Apportionment Data)

High School Exit Exam Program	\$3.90 / student-hour
Grades 2-9 Retained Students Program	\$3.90 / student-hour
Grades 2-6 Low STAR Scores Program	\$3.50 / student-hour
Core Subjects Program	\$2.88 / student-hour
*rates subject to change and likely to decline further	

number of both new ongoing and “one-time” categorical funding sources. Charter schools, especially locally-funded ones, have had a difficult time monitoring whether they have received their share of the funds associated with these programs. The following is an update on most of the major new and one-time programs that are of interest to charter schools. Charter schools are either eligible for or potentially eligible for nearly all of these sources. Locally-funded schools will need to coordinate application and receipt of the funds with their charter-granting agency. Direct-funded charters must apply for and receive these funds independently.

Non classroom-based charter schools will want to pay special attention to these funding sources as they may substantially influence whether the school meets the expenditure targets specified in the “determination of funding” process. (See related article entitled Independent Study and Non Classroom-Based Instruction Updates)

New, Ongoing Categorical Funding Programs

The following are updates regarding ongoing categorical programs. In most cases, CSDC anticipates

continued funding for these ongoing programs in the upcoming, 2007-08 fiscal year.

Art & Music Block Grant. The program provides funding to support art and music instruction and must be used to supplement expenditures for supplies, equipment, materials, and staff development related to standards-aligned arts and music instruction. It provides an estimated \$15.94 per student enrolled in the 2006 school year with minimum funding levels of \$2,500 to schools serving 20 or fewer students and \$4,000 to schools serving more than 20 students. CDE apportioned 75 percent of the funding for this program in early January based on 2005 enrollment data. CDE plans to allocate the remaining 25 percent in May and will base the final apportionment on updated fall 2006 enrollment data. The \$15.94 rate may change a bit due to changes in statewide enrollment. New charter schools have not yet been funded and will need to wait to receive their full entitlement in May due to lack of prior year data.

Middle and High School Counseling. This new program provides funding (estimated \$66.22 per student) to middle and high schools that hire certificated counselors to conduct specified parent-student meetings and

to provide other counseling services. CDE apportioned 75 percent of the funds earlier this year in January based on the estimated rate. Applications for this new and complex program were due on December 9th. Though the program includes many detailed requirements, it is proving to be a popular funding source to support intensive counseling support to help ensure that students are informed of high school graduation and college entrance requirements. For the upcoming (2007-008) fiscal year, application for this program will be handled via the Consolidated Application. Charter schools serving grades 7-12 that seek financial support for counseling should explore this program and, if interested, submit their ConApp by June 30th.

CAHSEE Intensive Instruction. This program generally provides \$500 per student to provide assessments and intensive instruction to students who have failed the High School Exit Exam. Applications for this popular program were due in September and funds were apportioned in October. In the 2006-07 school year, all class of 2007 students were fully funded at the \$500 rate while class of 2008 students were funded at \$97 due to limited funding. CSDC anticipates continued funding for this program in 2007-08. Charter schools serving students who have not passed

CAHSEE, especially seniors who are otherwise scheduled to graduate, should explore this program and consider setting groundwork to implement it in 07-08. To qualify for funding, schools must implement a diagnostic assessment and provide intensive, supplemental instruction to students who have failed one or both sections of the CAHSEE. The program requirements are somewhat flexible, including permitting the intensive instruction to occur during the regular school day, provided it does not replace core academic instruction (e.g., a school may add remedial instruction in core areas on top of regular core instruction such as by replacing non-core classes with remedial ones).

Certificated Staff Mentoring. The program provides funding to incent specified, highly experienced mentor teachers to teach in “staff priority schools” (i.e., “combat pay” to encourage experienced teachers to work in schools that scored in the lowest 30 percent on the state API in any of the prior 5 years). Applications for this program were due March 5th. CSDC anticipates ongoing funding for this program and encourages schools that score in deciles 1-3 of the state API rank to consider applying in 2007-08. It may be used to engage highly experienced veteran teachers to serve as mentor teachers in low-scoring schools by providing a \$6,000 stipend funding for each mentor teacher.

Before/After School Education and Safety. CDE received over \$700 million in applications for \$550 million of funds in this recently-expanding new competitive state “Proposition 49” grant program.

Snafus in the grant review process delayed confirmation of which grants were funded, but were recently confirmed. Applications for similar federal programs to serve elementary and middle and high school-students with before and/or after-school programs were due March 12th. CDE does not anticipate new state funding, but does anticipate issuing another RFP for federal before/after school programs in late fall (2007) or early winter (2008).

PE Teacher Incentive Grants. The



application for this new program to provide \$35,000 grants to schools to hire certificated physical education teachers were due May 3rd and funding results will be based on a random draw of eligible applicants. Given the random nature of this program, it is not clear at this time whether the program is worth pursuing in the 2007-08 fiscal year.

Major, One-Time Categorical Funding Programs (2006-07)

The following are updates on major “one-time” categorical programs. Except as noted below, CSDC does not anticipate ongoing funding for these programs in 2007-08.

School Site Block Grants. The

program is supposed to provide an estimated \$56.60 per student (\$5,000 minimum for schools serving 1-25 students and \$10,000 minimum if serving 26+ students) based on 2006 enrollment data. The funds may be used for “any one-time educational purpose.” CDE apportioned 75 percent of the funds related to this program in early January and plans to apportion the remaining 25 percent in September of 2007. The final funding rate may change slightly and will be based on updated, 2006 enrollment data. Use of the funds must be approved by a School Site Council (if one exists at the school) or a schoolwide advisory or support group. Charter schools may not allocate these funds to parents, pupils or staff. Locally-funded charter school sites’ spending plans must be approved by the district governing board. Direct-funded charter schools’ governing boards may approve their own spending plans without district approval. If your school advisory group and/or board have not yet approved your spending plan, presumably it should hurry-up because disputes were supposed to have been submitted to county boards by May 1--and the county board’s decision is final.

District Block Grants. This program, which provides an estimated \$19.83 per student based on 2006 enrollment data, is similar to the site block grant program (above). CDE apportioned an estimated 75 percent of the funds in late December based on 2005 data and anticipates allocating the remaining funds based on updated, 2006 data in September. All charter schools, including locally-funded ones, should review whether they have received the initial allocation. Locally-funded charter schools should coordinate this program with their

charter-granting district to ensure that they benefit from these funds. Districts are required to expend the funds to benefit charter schools “on an equitable basis.”

Art, Music, and Physical Education Supplies, Equipment, and Professional Development Grant. This program provides funds for supplies, equipment, and/or professional development related to art, music, and/or physical education. It will provide an estimated \$83.04 per ADA based on 2005-06 ADA figures, or a minimum of \$2,500 per school, whichever is greater. CDE apportioned 75 percent of the funds in April and anticipates apportioning the remainder in June. Unfortunately, new schools that did not generate prior-year attendance data presumably will not receive funding from this program.

CAHSEE Instructional Materials. This program provides \$19.88 per student in the '07 and '08 graduating classes who have failed the CAHSEE. The funds assist with the purchase of state-approved CAHSEE preparation instructional materials. In March, the State Board of Education approved materials from three vendors. In April, CDE apportioned 75 percent of the estimated funding and anticipates apportioning the balance in June. Though the governor has proposed funding for this program in 2007-08, CSDC is not confident that the legislature will concur and thus does not recommend budgeting for the funds in 2007-08 until further notice.

Instructional Materials, Library, and Ed Tech Block Grant. This program provides funds to be spent on instructional or school library materials or one-time educational technology costs. CDE apportioned 75 percent

of the funding for this program in December at \$15.80 per student based on 2005-06 enrollment data. The remaining 25 percent is scheduled to be apportioned in June, also based on prior-year (2005-06) enrollment data. Thus, CSDC does not anticipate that new schools will be funded from this program.

Nell Soto Parental Involvement Grants. This program, which has proven popular with many charter schools, provides grants to schools to support the cost of teacher visits to students' homes and/or community meetings to encourage parental involvement. The application for this program is now available online (www.cde.ca.gov/fg/fo/r16/nellsotorfa07.asp) and is due June 4th.

Healthy Start. Applications for this program, which provides competitive grants to support school linkages to community health and social services agencies, were due on February 2nd. CDE awarded 23 grants were announced—no charter schools were among this competitive group.

English Language Learners Pilot Project. Application information on this competitive grant project is delayed pending input and review to the CDE from an English Learner advisory committee. Though the committee has met twice, no request for proposals (RFP) has been issued as of mid-May. Schools that have a successful track record for serving English learners should review the RFP when it is issued.

English Learner Supplemental Materials. This program provides up to \$25 per English learner student to support purchase of approved materials that are “substantially correlated” with state English language development

standards. Schools seeking funding should have selected approved materials and submit their notice of intent to purchase materials by April 5th (www.cde.ca.gov/ci/cr/cf/englearnrs.asp). CDE is reviewing applications that were submitted prior to April 5th deadline and anticipates bringing funding recommendations to the State Board of Education for approval at its July and September meetings.

CSIS/CALPADS Incentive Funding. Charter schools may apply for funding (\$8.51 per pupil) to establish student information systems that are compliant with evolving and detailed state data standards (California Student Information System and the California Longitudinal Pupil Achievement Data System). Interested schools may contact Nancy Sullivan at CSIS (nsullivan@csis.k12.ca.us). The governor and some legislators are placing a strong emphasis on continued funding for state data collection efforts and some sort of continued support for these or similar programs is likely for the 2007-08 fiscal year.

School Garden Grants. The program will provide grants of \$2,500 per school site (\$5,000 for large schools serving over 1,000 students) to support the costs of school gardens and similar amounts for professional development. Applications for this competitive grant program were due April 20 and funding announcements are anticipated in May.

Teacher Recruitment and Retention. CDE staff has not yet announced how or when they plan to administer this program. The program will provide up to \$50 per student to schools in

the lowest three API decile ranks to improve the working environment and recruit teachers and principals. Ed Tech Voucher. Applications for funding for this program, funded from a legal settlement, are available and ongoing (www.cde.ca.gov/ls/et/st/etv.asp). The program provides vouchers ranging around \$50 per pupil to support education technology. Funding is targeted to schools serving 40 percent or higher proportions of students eligible for subsidized meals (and specified high schools fed by elementary schools serving such populations).

Subscribers with questions regarding any of these or other programs may contact CSDC for additional details where available.

-Eric Premack

California School Finance Authority Establishing New Charter School Cash Flow Financing Program

California School Finance Authority (CSFA) is developing its first cash flow financing program for charter schools. The Charter School Working Capital Program will provide access to “conduit financing” to help California charter schools alleviate short-term cash flow issues associated with enrollment growth and other factors.

Background

CSFA is a state agency that acts as a conduit to pool and issue short- and long-term debt on behalf of school and community college districts. Assembly Bill 2717 (Chapter 325, statutes of 2006), sponsored by Mimi Walters (R-Orange County), recently authorized the CSFA to include charter schools in state finance programs previously available to non-charter public schools and community colleges.

Program Features

Under CSFA’s new Working Capital Program, financing will be available to charter schools in order to cover periods of cash flow shortfall. The CSFA will not actually lend the funds, but will act as a conduit, whereby



the State Treasurer's Office will act as the Agent for Sale in order to help minimize costs charter schools would normally incur accessing short-term financing on their own. Since this program will be financed by private sector capital markets, neither the State of California nor the CSFA will assume liability for the financings.

If the program works as hoped, CSFA will be able to reduce charter schools' borrowing costs for two reasons. First, state law permits the CSFA to intercept charter schools' state aid payments to ensure timely repayment of debt. The ability to intercept payments typically leads to a higher credit rating for debt. Second, CSFA may be able to issue tax-exempt debt on behalf of charter schools if legal and other hurdles can be negotiated. Tax-exempt interest rates are substantially lower than taxable rates that charter schools typically pay.

CSFA staff is working hard to implement the new program as soon as possible, hopefully meeting eligible schools' cash flow borrowing needs for the upcoming, 2007-08 fiscal year. Program details are beginning to emerge, including the following:

- o Loan amounts are expected to range from \$100,000 to \$10 million.
- o Though the interest rate has not yet been set, it is anticipated that rates will be much lower than rates charter schools pay on the private market.
- o Loans can be accessed on a stand-alone or pooled basis, which will allow charter schools to join to spread their fixed borrowing costs over a broader pool.
- o Applications will be available soon and on a year-round basis for the stand-alone program.

Applications for the initial pooled program will be due sometime in June.

- o The Charter Schools Working Capital Program has regulations specifying the need for participating charter schools to be operated by a not-for-profit entity, to have been in operation for a minimum of two years, and to provide classroom-based instruction. CSDC and CharterVoice have been informed that such regulations would permit certain charter schools that are considered "non site-based" to be eligible to apply for the Program (credit considerations may preclude approval of certain schools, whether site-based or non site-based).
- o Charter schools must meet lending criteria and must be in good standing with their charter authorizer.
- o Schools wishing to apply must submit a non-refundable application fee of \$600, which will be credited against administrative fees at closing.
- o Other fees may include the CSFA origination fee of 2.5% of the total amount financed, with a minimum of \$2,500 and a maximum of \$7,500.
- o Transaction fees may include bond and disclosure counsel fees, underwriter management fees, financial advisory fees, trustee services fees, and other miscellaneous fees. These fixed costs will be equitably apportioned among participating parties. Any extraordinary

(Continued on page 17)

Legislative and Policy Update: Pending Legislation and New Regulations

With attention largely focused on the state budget and health care reform, the 2007 legislative session has kicked off to a relatively slow start on education policy matters. A few charter-specific bills, including one CharterVoice-sponsored measure are pending and the major ones are summarized below. In addition, since the last Legislative Update, three sets of charter school regulatory changes are progressing through the regulatory adoption process. This article provides a brief overview of these charter school-related policy matters.

New and Updated Legislation

The 2006-07 legislative session began in January 2007. Although there is plenty of time for more bills to appear and existing bills to disappear, at the time of this publication, the following bills represent interesting charter school related bills and their current status.

Status	Brief Summary	CharterVoice Support	Bill Number / Author
Passed Senate Education Committee, pending in Appropriations Committee	This CharterVoice-sponsored bill (1) reinstates the State Board of Education’s authority to grant Education Code waivers to charter schools, (2) allows charter schools to issue work permits, and (3) allows charter schools to pay employees on a flexible pay schedule	Yes	SB 345 Aanestad, R - Grass Valley
Passed Assembly Education Committee, pending in Appropriations Committee	This bill would extend the vision, hearing and scoliosis testing requirements that govern school districts to also govern charter schools; unfortunately, it does not provide a means to pay for the testing	No, unless amended to provide funding	AB 1230, Laird, D – Santa Cruz
Passed Assembly Education Committee	This bill, sponsored by the School Boards Association, would require that charter petitions describe various additional items, including the manner in which charters propose to provide special education services and how they will pay for them.	No	AB 1281, Soto, D – Pomona
Passed Assembly pending in Senate Education Committee	This bill provides for field trip-related immunity for charter schools; it is anticipated that it will include provisions allowing charter schools the ability to use the Tort Claims Act and exclude charters from liability under the Unfair Competition Laws and False Claims Act	Yes	AB 766, Walters, R – Laguna Niguel

The text and updated status of the above-referenced bills may be accessed through the legislature's web site (www.leginfo.ca.gov/bilinfo.html) by typing the bill number into the search box and following the links.

Three Charter School Regulations Move Forward

CSDC and CharterVoice continue to actively participate in the crafting of three sets of charter school regulations pending in the approval process: (1) school closure regulations, (2) Proposition 39 regulations, and (3) conflict-of-interest regulations.

The school closure regulations were approved by the State Board of Education (SBE) in January 2007, and then submitted to and approved by the Office of Administrative Law on April 9. These regulations became effective on May 9, 2007. Thus, for all charter schools drafting and submitting new or renewal petitions, the details required by the regulations must be addressed within the charter petition. This may prove a challenge because the regulations are rather vague and do not appear to genuinely clarify many of the matters addressed.

Some of the required new details include:

- o Designating the entity responsible for attending to school closure activities;
- o Pledging to notify various state entities of the closure;
- o Providing the school district of residence with a notification regarding the students who will no longer be attending the charter school;
- o Addressing transfer and maintenance of unspecified student and personnel records;
- o Conducting a final audit, accounting for all assets, and distributing any net assets; and
- o Identifying funding that may support the above activities.

CSDC can provide copies of the new regulations, will address this topic in our fall Charter Renewal workshops, and also has an updated governing board policy for school use in compliance with these new regulations.

The Proposition 39 regulations continue to be a source of political tension amongst the stakeholders. They failed adoption by the SBE in March 2007, but were amended by the SBE in April at a special meeting. After a 15 day comment period, the SBE approved them on May 9. If approved by the Office of Administrative Law (which is anticipated), they presumably would become effective starting in the 2007-08 school year. The revisions are substantial and largely designed to address widespread non-compliance and resolve common disputes. (See State Board Adopts Controversial "Prop 39" Revisions)

The draft conflict-of-interest regulations were presented to the SBE on May 9 to begin the rulemaking process, including a 45 day public comment period, ending in late June. These regulations should provide charter schools with some ammunition to push back against chartering agencies claiming that charters must follow Government Code section 1090 conflict rules. Instead, these proposed conflict-of-interest regulations borrow heavily from concepts that govern nonprofit corporations from the Corporations Code's conflict rules and other regulations that govern public sector entities in California. They stop far short of the more draconian provisions of Government Code section 1090. CharterVoice and Charter Schools Development Center generally support the regulations as drafted and believe they will protect a charter school's ability to keep parents, staff and administrators on their governing boards consistent with the intent of the Charter School's Act.

If you have any questions regarding any of these bills or regulations, contact CSDC. The legislature will continue to deliberate these and other issues until August when the current year of the session ends.

- Jennifer McQuarrie & Eric Premack

(Continued from page 14)

costs attributable to one or a set of applicants may not be apportioned among all participants.

For more specific details on this program or for information on how to apply, visit CSFA's website at www.treasurer.ca.gov/csfa or contact Katrina Johanatgen at kjohantgen@treasurer.ca.gov. This site also has a survey to help the CSFA to gauge interest in the Program – please look for the survey in the “News and Events” section on CSFA's website.

A First Step toward Low-Cost Facilities Borrowing?

AB 2717 also authorized CSFA to provide similar conduit financing support for long-term facilities debt. CSDC hopes that the initial cash flow borrowing program will be successful and pave the way for an expanded program of low-cost, long-term, facilities financing in the future.

--Jill Wells & Eric Premack

CBO TRAINING APPLICATIONS ARE NOW AVAILABLE!

CSDC is pleased to announce its Chief Business Officer Training Program (CBOT) and the related Charter School Business Summer Intensive (Summer Intensive). The full CBOT is an intensive, 200-hour program comprised of 22-module (150-hours) of classroom training supplemented with 50 hours of intensive, individualized instruction.

CSDC's CBO Training Program has been approved by the State Board of Education for California's CBO Training categorical funding program. The state of California through the CDE has created a state funding program to help subsidize the cost of school district and charter school staff to attend and complete approved Chief Business Officer training programs. It is anticipated that this program will provide state support of \$3,000 per eligible participant who completes an approved program.

To learn more about the state funding program and CSDC's program visit our website at www.cacharterschools.org/trainingprogram.html

SAVE THE DATE!

WHAT: 2007 Charter School Leadership Summit

WHEN: November 5-7th

WHERE: Radisson Hotel, Sacramento

www.radissonsac.com






Registration will be available in June

Charter School Administrative and Management Calendar

K E Y	\$	Fiscal and Facilities Deadlines
	🍎	Educational Program and Accountability Reports and Deadlines
	🔧	Workshops, Meetings, and Events
	(!)	Relevant for ALL Charter Schools

Please send missing items or suggested changes to: CSDC@chartercenter.org.

Date	Key	Month/Item	Reference
<i>June 2007</i>			
(!)	01	\$	Selection of funding option ("May Survey") due to CDE www.cde.ca.gov/sp/cs/as/directfundopt.asp
	01	\$	Chief Business Officer Training (CBOT) state funding applications due (to meet July State Board of Education deadline) www.cde.ca.gov/fg/fo/profile.asp?id=857 , www.cacharterschools.org/trainingprogram.html
	01	\$	Community-Based English Tutoring applications due www.cde.ca.gov/fg/fo/profile.asp?id=1050
	04	\$	Nell Soto Parent/Teacher Involvement Program applications due www.cde.ca.gov/fg/fo/profile.asp?id=1011
	04	\$	Even Start Family Literacy Program applications due www.cde.ca.gov/fg/fo/profile.asp?id=1076
	04	🔧	Advisory Commission on Charter Schools (ACCS) meeting (10:30am-5:00pm) www.cde.ca.gov/be/cc/cs/#sched
	05	\$	Charter School Facilities Program (Prop 1D state bond funds) final application deadline www.opsc.dgs.ca.gov/CSFProgram/Default.htm
	15	\$	Gifted and Talented Education program applications due www.cde.ca.gov/fg/fo/profile.asp?id=1058
(!)	15	\$	In-Lieu Property Tax funding from district due to charter school (1/6 of the balance of post-P1 property tax payments) CA Ed Code Section 47635
	19	🍎	California High School Proficiency Examination (CHSPE) late registration deadline for 6/27 date www.chspe.net/registration/
	24-29	🔧	9th Annual Charter School Leadership Institute, hosted by the Charter Schools Development Center, Lake Tahoe, California www.cacharterschools.org/leadershipinstitute/2007/overview.html
	27	🍎	California High School Proficiency Examination (CHSPE) test date www.chspe.net/registration/
	30	\$	Consolidated Application Part I due to CDE www.cde.ca.gov/fg/fo/profile.asp?id=1073
	30	\$	For charter schools applying for No Child Left Behind funds, LEA plans written and approved by governing board www.cde.ca.gov/nclb/sr/le/
	30	\$	For charter schools applying for No Child Left Behind funds, school-wide or targeted-assistance plan due to chartering-entity www.cde.ca.gov/sp/sw/ www.cde.ca.gov/sp/sw/rt/tasinfo.asp
(!)	Late	\$	Third 2006-07 quarterly Lottery apportionment expected from state www.cde.ca.gov/fg/aa/lo/
<i>July 2007</i>			
(!)	01	\$	Preliminary budget due to chartering entity and county superintendent CA Ed Code Section 47604.33
	01	\$	Revolving Loan Fund re-opens for 2007/08. Applications accepted on a rolling basis through April 30, 2008. www.cde.ca.gov/fg/fo/cf/profile.asp?id=482
(!)	Varies	\$	General purpose and categorical block grant apportionments expected for operating charter schools (Final post-P2 state aid allocation of remaining balance typically delayed to July) www.cde.ca.gov/sp/cs/as/csfundcomp.asp
	11/12	🔧	State Board of Education (SBE) meeting www.cde.ca.gov/be/
	13	\$	Public Charter Schools Grant Program Request for Applications available on CDE website www.cde.ca.gov/fg/fo/profile.asp?id=1055
(!)	15	\$	In-Lieu Property Tax funding from district due to charter school (Remaining post-P2 property tax allocation) CA Ed Code Section 47635

	20		Advisory Commission on Charter Schools (ACCS) meeting (10:30am-5:00pm)	www.cde.ca.gov/be/cc/cs/#sched
	27	\$	Advanced Placement (AP) Test Fee Reimbursement Program applications due	www.cde.ca.gov/fg/fo/profile.asp?id=966
	27		California High School Proficiency Examination (CHSPE) results mailed from 6/27 test date	www.chspe.net/registration/
	29-Aug 3		Chief Business Officer Training Summer Intensvie, hosted by CSDC in Pomona, CA	www.cacharterschools.org/trainingprogram.html
(!)	Varies	\$	General purpose and categorical block grant apportionments expected for operating charter schools (Remaining post-P2 June state aid allocation based and first state aid allocation @ 6% of annual amount)	www.cde.ca.gov/sp/cs/as/csfundcomp.asp
<i>August 2007</i>				
	02	\$	Public Charter Schools Grant Program applications due	www.cde.ca.gov/fg/fo/profile.asp?id=1055
(!)	15	\$	In-lieu property tax funds due from relevant district(s) on the 15th of each month, starting in August and ending in July. (6% of annual amount)	www.cde.ca.gov/sp/cs/lr/csfundmodfeb00.asp
(!)	Varies	\$	General purpose and categorical block grant apportionments expected for operating charter schools (12% of annual state aid amount)	www.cde.ca.gov/sp/cs/as/csfundcomp.asp
<i>September 2007</i>				
	12/13		State Board of Education (SBE) meeting	www.cde.ca.gov/be/
	13	\$	Public Charter Schools Grant Program expected notification date	www.cde.ca.gov/fg/fo/profile.asp?id=1055
(!)	15	\$	In-Lieu Property Tax funding from district due to charter school (12% of annual amount)	CA Ed Code Section 47635
(!)	15	\$	Unaudited actual financial report due to granting agency and county office of education	www.cde.ca.gov/fg/sf/fr/
	17		Advisory Commission on Charter Schools (ACCS) meeting (10:30am-5:00pm)	www.cde.ca.gov/be/cc/cs/#sched
	30	\$	Charter schools in their first year of operation must commence instruction by September 30 in order to be eligible for apportionment	CA Ed Code Section 47652
(!)	Late	\$	Fourth 2006-07 quarterly Lottery apportionment expected from State Controller	www.cde.ca.gov/fg/aa/lo/
(!)	Varies	\$	General purpose and categorical block grant apportionments expected for operating charter schools (8% of annual state aid amount). Funding for new & growing charter schools is based upon May survey data.	www.cde.ca.gov/sp/cs/as/csfundcomp.asp

Please send missing items or suggested changes to: CSDC@chartercenter.org

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*Providing experienced
technical support to
charter school developers,
operators, and
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Charter Schools Development Center

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SACRAMENTO, CA 95826

CSDC offers a full range of workshops, "how to" publications, development services, sample documents, as well as other useful resources. Check our website, or contact us for more information.

Laurie Gardner, *Co-Director*
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Upcoming Fall Workshop Topics (Details soon to be posted on our website)

- **Leadership Update** – September
- **Charter School Governance and Policy Making** – October
- **Charter-Grantor Relations and Charter Renewal** – November
- **UC "A-G" Course Approval and WASC Beginner Training** – November
- **UC "A-G" Course Approval and WASC Intermediate Training** – November
- **Start Smart: Charter School Development** – November

For complete information on registering for CSDC's upcoming workshops as well as other available services please visit www.cacharterschools.org or contact us at (916) 278-6069 or CSDC@chartercenter.org.

The 9th Annual Charter School Leadership Institute

This Leadership Institute, affectionately dubbed "charter boot camp" by many attendees, provides both new and experienced charter school leaders with intensive training and coaching in the technical, organizational, and interpersonal skills that are essential to successfully lead charter schools. This year's institute, the 9th annual, will return to the fresh mountain air at the Granlibaaken Executive Conference Center near Lake Tahoe on June 24-29th. Attendance is limited to 50 attendees, is by application only, and is heavily subsidized by a generous grant from the Charter School Development Fund of the Orange County Community Foundation. Presenters and team leaders will include CSDC staff, state and national charter school leaders, and other renowned experts.

Now Offering School Quality Review Process

CSDC is currently scheduling charter school performance reviews. Prepare for your renewal or gain valuable feedback about your school's performance through an in-depth, on-site visit. A CSDC team with school leadership and management experience will spend two full days at your school and provide you with a comprehensive report on your educational program, governance and operations, student and staff issues, and financial management. For details about school reviews and our other accountability services, please contact CSDC at CSDC@chartercenter.org or 916-278-6069.

Welcome and Farewell

CSDC welcomes Beryl Nelson as our Accountability Specialist. Beryl will be working with charter schools and their granting agencies on issues of accountability particularly in the areas of educational programs and governance and operations. Prior to joining CSDC, Nelson had extensive experience with charter schools, improving educational programs for low-performing schools, and programs serving English language learners. We are delighted to have Beryl join our team! Meanwhile, CSDC bids a fond farewell to Lexi Casey. Lexi will be continuing her experience in event planning when she joins Woodberry Events in San Francisco. We appreciate all of her important contributions to CSDC and wish her well on her new endeavors.