



BOARD OF EDUCATION
Ms. Jane Royer Barr
Ms. Rose Filicetti
Ms. Sandra Nichols
Ms. Sue Roth
Mr. Dana M. Sales
Mr. Abel Sanchez
Mr. Bruce Van Allen

Michael C. Watkins, Superintendent • 400 Encinal Street, Santa Cruz, CA 95060 • 831-466-5600 • FAX 831-466-5607 • www.santacruzcoe.org

Santa Cruz County Board of Education
Santa Cruz County Office of Education
400 Encinal Street
Santa Cruz, CA 95060

Regular Board Meeting
October 18, 2018
Time: 4:00 p.m.
Board Room

AGENDA

1.0 CALL TO ORDER, ROLL CALL AND ESTABLISHMENT OF QUORUM

Bruce Van Allen (President), Jane Royer Barr, Rose Filicetti, Sandra Nichols, Sue Roth,
Dana Sales, Abel Sanchez
Michael Watkins, Secretary

2.0 PLEDGE OF ALLEGIANCE

Bruce Van Allen (President) will lead the Pledge of Allegiance.

3.0 APPROVAL OF AGENDA

Agenda deletions and/or changes of sequence will be approved or the agenda will be approved as submitted.

4.0 PUBLIC COMMENT

This is an opportunity for the public to address the Board regarding items not on the agenda. The Board President will recognize any member of the audience not previously placed on the agenda who wishes to speak on a matter directly related to school business. Each speaker, on any specific topic, may speak up to **three (3) minutes** unless otherwise limited or extended by the President. The President may allot time to those wishing to speak but no action will be taken on matters presented (E.C. Section 35145.5). If appropriate, the President, or any Member of the Board, may direct that a matter be referred to the Superintendent's Office for placement on a future agenda. Please refer to item, *Please Note*, on the last page of this agenda.

5.0 CONSENT AGENDA

All items appearing on the consent agenda are recommended actions, which are considered to be routine in nature and will be acted upon as one motion. Specific items may be removed for separate consideration. Item(s) removed will be considered immediately following the consent agenda motion as Deferred Consent Items.

- 5.0.1** Minutes of the Board Meeting held on September 20, 2018
- 5.0.2** Routine Budget Revisions
- 5.0.3** Donations
- 5.0.4** Surplus Equipment

5.1 DEFERRED CONSENT ITEMS (if required)

This item is placed on the agenda to address any items that might be pulled from Agenda Item 5.0 for further discussion/consideration if so determined.

6.0 CORRESPONDENCE

Correspondence will be available for review at the meeting location.

7.0 RECOGNITIONS

7.1 Debbie Stanbra

The Board will recognize Debbie Stanbra, Director, Technology, Business Information Systems, for her 20 years of service to the Santa Cruz County Office of Education.

Presenter: Mary Hart, Deputy Superintendent, Business Services

7.2 Carol Trent

The Board will recognize Carol Trent, Senior Instructional Aide, Alternative Education Department, for her 40 years of service to the Santa Cruz County Office of Education.

Presenter: John Rice, Sr. Director, Alternative Education Department

8.0 PUBLIC HEARINGS/NEW BUSINESS AND ACTION ITEMS

8.1 Adopt Resolution 18-16: Gann Amendment Appropriations

The Gann Amendment (Proposition 4, 1979) limits the growth in appropriations made by the State of California, School districts and local governments. All local education areas are required to adopt Gann Appropriations Limits each year by Board Resolution.

Presenter: Rebecca Olker, Director Fiscal Services

Call for Motion and Roll Call Vote: Bruce Van Allen (President)

8.2 Approve Resolution 18-17: Authorizing Temporary Cash Loans to Santa Cruz County School Districts

Pursuant to Education Codes 42621 and 42622, the County Superintendent of Schools, with the approval of the County Board of Education, may make temporary transfers to any school district which does not have sufficient money to its credit to meet current operating expenses.

Presenter: Jean Gardner, Senior Director, Fiscal Services

Call for Motion and roll call vote: Bruce Van Allen (President)

8.3 Pacific Collegiate Charter School

The Board will be asked to approve a change to the Memorandum of Understanding with Pacific Collegiate Charter School.

Presenter: Mary Hart, Deputy Superintendent, Business Services

Call for Motion: Bruce Van Allen (President)

8.4 Integrative Leadership Academy (Resolution 18-18 or Resolution 18-19)

The Board will be asked to either conditionally approve (Resolution #18-18) the creation of a charter school in San Lorenzo Valley (Integrative Leadership Academy) with a corresponding Memorandum of Understanding between the Charter School and the County Board of Education/County Superintendent of Schools or deny the appeal from Integrative Leadership Academy (Resolution #18-19).

Call for Motion and Roll Call Vote: Bruce Van Allen (President)

8.5 Adopt Resolution #18-20: Use of Proposition 30 Education Protection Act Funds

It is recommended that the Board approve usage of the funds made available from Proposition 30 for educational expenditures within the Career Advancement Charter School budget.

Presenter: Rebecca Olker, Director Fiscal Services

Call for Motion and Roll Call Vote: Bruce Van Allen (President)

8.6 Approval of Implementation of New Financial System and Request for Support

The Board will be asked to approve the implementation of a new financial system and will also be requested to support the Districts with the implementation costs.

Presenter: Mary Hart, Deputy Superintendent, Business Services

Call for Motion: Bruce Van Allen (President)

9.0 REPORTS, DISCUSSIONS AND PRESENTATIONS

9.1 Career Advancement Charter School Annual Report

The Board is requested to review information from the annual closing financial reporting document filed with the California Department of Education.

Presenter: Faris Sabbah, Deputy Superintendent

10.0 UNFINISHED BUSINESS

11.0 SUPERINTENDENT REPORT

County Superintendent of Schools, Michael C. Watkins, will provide an update on activities and matters of interest.

12.0 TRUSTEE REPORTS (3 minutes each)

Trustees will report on matters, events and activities as related to Board goals of: Advocating for students, maintaining community relations and promoting student achievement.

13.0 AD HOC COMMITTEE REPORTS/ACTIONS (if any)

14.0 ADDITIONS, IF ANY, TO FUTURE BOARD AGENDA ITEMS

15.0 SCHEDULE OF MEETINGS AND COMING EVENTS

October 25, 2018 7:45 a.m.	Inside Education - Elementary Santa Cruz County Office of Education – Boardroom 400 Encinal Street, Santa Cruz, CA 95060
November 15, 2018 4:00 p.m.	Regular Meeting of the County Board of Education 400 Encinal Street, Santa Cruz, CA 95060
November 29 – December 1, 2018	CSBA Annual Education Conference San Francisco, CA
December 20, 2018 4:00 p.m.	Regular Meeting of the County Board of Education 400 Encinal Street, Santa Cruz, CA 95060

16.0 ADJOURNMENT

PLEASE NOTE:

Public Participation:

All persons are encouraged to attend and, when appropriate, to participate in meetings of the Santa Cruz County Board of Education. If you wish to speak to an item on the agenda, please be present at the beginning of the meeting as any item, upon motion, may be moved to the beginning of the agenda. Persons wishing to address the Board are asked to state their name for the record. The president of the Board will establish a time limit of three (3) minutes, unless otherwise stated by the president, for comments from the public. Consideration of all matters is conducted in open session except those relating to litigation, personnel and employee negotiations, which, by law, may be considered in closed session. Expulsion appeal hearings are heard in closed session unless a request for hearing in open session is made by the appellant.

Backup Documentation:

Any writings or documents that are public records and are provided to a majority of the governing board regarding an open session item on this agenda will be made available for public inspection in the County Office of Education, located 400 Encinal Street, Santa Cruz, CA 95060, during normal business hours.

Translation Requests:

Spanish language translation is available on an as-needed basis. Please make advance arrangements with Jim Guss by telephone at (831) 466-5900. Traducciones del inglés al español y del español al inglés están disponibles en las sesiones de la mesa directiva. Por favor haga arreglos por anticipado con Jim Guss por teléfono al número (831) 466-5900.

ADA Compliance:

In compliance with Government Code section 54954.2 (a), The Santa Cruz County Office of Education will, on request, make this agenda available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact Jim Guss, Administrative Aide to the Superintendent, 400 Encinal St., Santa Cruz, CA 95060, (831) 466-5900.

SUPERINTENDENT’S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Consent Agenda: Regular Board Meeting Minutes, September 20, 2018

DEPARTMENT/PROGRAM:

Santa Cruz County Board of Education

ACTION REQUESTED:

Board Approval

PREVIOUS STAFF/BOARD ACTION:

None

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

Consent Agenda items are recommended for approval as actions routine in nature and acted upon as one motion. Specific items may be removed for separate consideration.

FISCAL IMPLICATIONS:

None

CONTACT PERSON(S):

Michael Watkins, Superintendent
Jim Guss, Administrative Aide to the Superintendent



Santa Cruz County Board of Education
 Santa Cruz County Office of Education
 400 Encinal Street
 Santa Cruz, CA 95060

Regular Board Meeting
 September 20, 2018
 Time: 4:00 p.m.
 Tech Center/Board Room

UNAPPROVED MINUTES

1.0 CALL TO ORDER, ROLL CALL AND ESTABLISHMENT OF QUORUM

Board Present

Bruce Van Allen (President)
 Jane Barr
 Rose Filicetti
 Sandra Nichols
 Sue Roth
 Dana Sales
 Abel Sanchez
 Michael Watkins (Secretary)

Staff Present

Faris Sabbah
 Mary Hart
 Jivan Dhaliwal
 Jim Guss

Absent

None

2.0 PLEDGE OF ALLEGIANCE

Bruce Van Allen (President) led the Pledge of Allegiance.

3.0 APPROVAL OF AGENDA

Superintendent Watkins asked that the Agenda order be changed (Item 7.7 moved prior to Item 7.1.).

It was M.S.C (Barr/Filicetti) to approve the Agenda as amended.

Ayes: Barr, Filicetti, Nichols, Roth, Sales, Sanchez, Van Allen
 Nays: None
 Abstain: None
 Absent: None

4.0 PUBLIC COMMENT

Deputy Superintendent Faris Sabbah introduced Mr. Steve Hoy as the new Career Technical Education Partnership (CTEP) Coordinator.

5.0 CONSENT AGENDA

- 5.0.1 Minutes of the Board Meeting held on August 16, 2018
- 5.0.2 Routine Budget Revisions
- 5.0.3. Treasurer’s Quarterly Investment Report, Quarter Ended June 30, 2018
- 5.0.4 Donations

It was M.S.C. (Nichols/Filicetti) to approve the Consent Agenda.

Ayes: Barr, Filicetti, Nichols, Roth, Sales, Sanchez, Van Allen
Nays: None
Abstain: None
Absent: None

5.1 DEFERRED CONSENT ITEMS (if required)

None.

6.0 CORRESPONDENCE

None.

7.0 PUBLIC HEARINGS/NEW BUSINESS AND ACTION ITEMS

7.1 Adopt Resolution #18-15: Climate Change
(Moved from Item 7.7 to 7.1)

Amity Sandage, Environmental Literacy Coordinator, presented Resolution #18-15 to the Board. Ms. Sandage explained that the Resolution will demonstrate leadership and provide education and actionable solutions that children can engage in to address climate change.

Mr. Roland Saher, a retired educator, spoke in favor of the Resolution. Mr. Saher also passed to the Board a list of suggestions he would like for the Board to review in making the resolution more urgent and specific.

Trustee Nichols stated that Mr. Saher’s suggestions will be reviewed by a sub-committee. Any proposed changes to the Resolution will then be brought back before the Board at a future Board meeting.

It was M.S.C. (Barr/Filicetti) to adopt Resolution #18-15: Climate Change.

Ayes: Barr, Filicetti, Nichols, Roth, Sales, Sanchez, Van Allen
Nays: None
Abstain: None
Absent: None

7.2 Public Hearing: Integrative Leadership Academy

Prior to the Board conducting the Public hearing on the Integrative Leadership Academy, Jivan Dhaliwal, Associate Superintendent, Educational Services, presented an Introduction of Items to the Board as well as an overview of the Petition.

Bruce Van Allen (President) addressed the Board and the Public to explain how the Public Hearing would be conducted.

President Van Allen opened the Public Hearing.

Nicky Ramos-Beban, Ph.D. Executive Director, Integrative Leadership Academy (ILA), was invited to give an opening statement. President Van Allen then invited Mr. George Wylie, President of the San Lorenzo Valley Unified School District (SLVUSD) Board and Mr. Chris Schiermeyer, SLVUSD Assistant Superintendent, Business Services to give an opening statement.

After the opening statements, President Van Allen opened the Hearing to hear from teachers, employees, parents, guardians or any other member of the public who desired to speak on this matter. The following people spoke before the Board: Jesse Stone, Max Lusztig Noyes, Chad Noyes, Jason Miller, Cindy Laurin, Swati Bhargava, Jacquie Spracklen, David Ramos-Beban, Shelley Beban, Mary Kashmer, Angie Pennington, Tyler Pennington, Jonathan Rudney, Nancy Hawkins, Carolyn Dornsife, Kat Kelley, Matthew Buckley, Emily Nomi, Genevieve Florea and a letter from Alba Bhargava.

Following the comments from the Public, President Van Allen gave both Dr. Ramos-Beban and Mr. Wylie and Mr. Schiermeyer an opportunity to make their closing remarks.

President Van Allen closed the Public Hearing.

7.3 Public Hearing: Sufficiency of Instructional Materials

Bruce Van Allen (President) opened the Public Hearing.

Adam Wade, Coordinator, Alternative Education, presented to the Board the Sufficiency of Instructional Materials list to be used by the Santa Cruz County Office of Education Alternative Education Student Programs during the 2018-2019 school year.

President Van Allen closed the Public Hearing.

7.4 Adopt Resolution #18-12: Sufficiency of Instructional Materials

In order to be eligible to receive instructional materials funding, the governing board is required to hold a public hearing and adopt a resolution stating whether or not each pupil in County Office of Education programs has sufficient standards-aligned textbooks and/or instructional materials in specified subjects.

It was M.S.C. (Barr/Filicetti) to adopt Resolution #18-12: Sufficiency of Instructional Materials.

Ayes: Barr, Filicetti, Nichols, Roth, Sales, Sanchez, Van Allen
Nays: None
Abstain: None
Absent: None

7.5 Public Hearing: Career Advancement Charter School Charter Revision

Prior to the Board conducting the Public hearing on the charter revision for the Career Advancement Charter School, Jivan Dhaliwal, Associate Superintendent, Educational Services, presented an Introduction of Items to the Board as well as an overview of the Petition.

Bruce Van Allen (President) addressed the Board and the Public to explain how the Public Hearing would be conducted.

President Van Allen opened the Public Hearing.

Faris Sabbah, Deputy Superintendent, was invited to address the Board concerning the charter revision. Dr. Sabbah advised the Board that the two additional sites to be added to the program would be located at the Blaine Street Facility and Cabrillo College.

There was no input from the Public on this matter.

President Van Allen closed the Public Hearing.

7.6 Adopt Resolution #18-13: Career Advancement Charter School Charter Revision

The Board was asked to adopt Resolution #18-13 to revise the charter for the Career Advancement Charter School to add two additional sites (Blaine Street Facility and Cabrillo College) to the charter.

It was M.S.C. (Roth/Barr) to adopt Resolution #18-13: Career Advancement Charter School Charter Revision.

Ayes: Barr, Filicetti, Nichols, Roth, Sales, Sanchez, Van Allen
Nays: None
Abstain: None
Absent: None

7.7 Adopt Resolution #18-14: Measure H: Housing Bonds

Trustee Barr presented Resolution #18-14: Measure H for Housing Bonds before the Board for approval. Measure H would provide \$119 million to the local jurisdictions of Santa Cruz County to create affordable housing opportunities for our local residents (many with children in our local schools) and workers. In addition, Measure H would provide \$21 million for the creation of facilities to address homelessness countywide.

It was M.S.C. (Nichols/Sales) to adopt Resolution #18-14: Measure H: Housing Bonds.

Ayes: Barr, Filicetti, Nichols, Roth, Sales, Sanchez, Van Allen
Nays: None
Abstain: None
Absent: None

8.0 REPORTS, DISCUSSIONS AND PRESENTATIONS

8.1 2017-18 Unaudited Closing Financial Statement

Rebecca Olker, Manager, Internal Business Services presented the 2017-18 Unaudited Closing Financial Statement to the Board which will be sent to the California Department of Education. The information discussed included the 2017-18 Unaudited Actuals, the 2018-19 current Working Budget and the 2019-20 and 2020-21 projections.

9.0 UNFINISHED BUSINESS

None.

10.0 SUPERINTENDENT REPORT

County Superintendent of Schools, Michael Watkins, provided an update on his activities and matters of interest since his last report on August 16, 2018.

12.0 TRUSTEE REPORTS

Trustee Van Allen has been extremely busy with the upcoming general election.

Trustee Roth attended the most recent Santa Cruz County School Boards Association meeting.

Trustee Barr attended the recent California County Boards of Education (CCBE) conference in Monterey.

Trustee Barr left the meeting at 6:20 p.m.

Trustee Nichols attended the Labor Day picnic in Watsonville and has been very busy as the President of the People's Democratic Club.

Trustee Sales stated that he attended the first meeting of this year's Inside Education Class. He suggested that a larger cross section of local politicians and city managers be recruited to attend future classes. Trustee Sales also attended his 40th Class Reunion from the United States Naval Academy.

Trustee Sanchez attended a number of local meetings regarding the measures and items that will be voted on in the upcoming election and also attended a charter sub-committee meeting.

Trustee Filicetti attended the COE Orientation at Sequoia, a couple of Democratic Women's Club endorsement meetings and a California Economic Summit Workforce Development conference call. Trustee Filicetti met with the San Lorenzo Valley USD Board President George Wylie and with Mr. Kevin Heuer of the Community Foundation of Santa Cruz County.

Trustee Filicetti attended a private pre-launch party with author Jose Antonio Vargas and also attended the Mountain Elementary School Board Meeting. She also met with Ms. Nicky Ramos-Beban and Mary Kashmar regarding Integrative Leadership Academy.

Trustee Filicetti attended the CCBE Annual Conference in Monterey and a detailed presentation on Charter School Authorizing held by the Santa Clara County Office of Education. Lastly, Trustee Filicetti attended the Community Oversight Committee meeting for Soquel Unified School District's bond measure and a Community Outreach and Legislation Meeting.

13.0 AD HOC COMMITTEE REPORTS/ACTIONS

None

14.0 ADDITIONS, IF ANY, TO FUTURE BOARD AGENDA ITEMS

None.

15.0 SCHEDULE OF MEETINGS AND COMING EVENTS

September 27, 2018 7:45 a.m.	Inside Education – Early Years Santa Cruz County Office of Education – Boardroom 400 Encinal Street, Santa Cruz, CA 95060
October 18, 2018 4:00 p.m.	Regular Meeting of the County Board of Education 400 Encinal Street, Santa Cruz, CA 95060
October 25, 2018 7:45 a.m.	Inside Education - Elementary Santa Cruz County Office of Education – Boardroom 400 Encinal Street, Santa Cruz, CA 95060
November 15, 2018 4:00 p.m.	Regular Meeting of the County Board of Education 400 Encinal Street, Santa Cruz, CA 95060
December 20, 2018 4:00 p.m.	Regular Meeting of the County Board of Education 400 Encinal Street, Santa Cruz, CA 95060

16.0 ADJOURNMENT

Bruce Van Allen (President) adjourned the meeting at 6:33 p.m.

SUPERINTENDENT’S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Consent Agenda: Routine Budget Revisions

DEPARTMENT/PROGRAM:

Business Services/Administration

ACTION REQUESTED:

Board Approval

PREVIOUS STAFF/BOARD Action:

None

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

Detailed revisions and narrative follow this page.

FISCAL IMPLICATIONS:

Adjusts 2018-2019 Spending Plan

CONTACT PERSON(S):

Jean Gardner, Senior Director, Fiscal Services
Rebecca Olker, Manager, Internal Business Services



BOARD OF EDUCATION
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MEMO

DATE: October 18, 2018

TO: Santa Cruz County Board of Education
Michael C. Watkins, County Superintendent of Schools

FROM: Mary Hart 
Deputy Superintendent, Business Services
Jean Gardner
Senior Director of Fiscal Services

RE: September Budget Revisions

Budget revisions in September reflected an increase in projected revenues for **\$231,883** and an increase in expenditures in the amount of **\$946,093**, resulting in a net decrease to fund balance of **\$714,210**.

The changes in budget were mostly due to the setup of the Probation grant and the School Counselor grant, as well as implementation of the new Financial System software.

Should you have any questions, please feel free to contact us.

MH:rao
4 attachments

CC: Rebecca Olker

Santa Cruz County Office of Education
 Budget Variance Summary for September, 2018
 October 18, 2018 Board Meeting

Description	2018-2019	2018-19	SEPTEMBER		2018-19
	Adopted Budget	Board Meeting 09/20/18	Unrestricted	Restricted	Board Meeting 10/18/18
REVENUE					
Local Control Funding Formula	27,242,923.00	27,242,923.00	-	-	27,242,923.00
Federal Revenues	7,405,876.00	7,405,876.00	-	-	7,405,876.00
State Revenues	7,932,026.13	7,932,026.13	-	-	7,932,026.13
Local Revenues	11,747,300.77	12,034,926.77	-	231,882.63	12,266,809.40
TOTAL REVENUE	54,328,125.90	54,615,751.90	-	231,882.63	54,847,634.53
EXPENDITURES					
Certificated Salaries	10,967,873.70	10,958,071.27	35,058.50	6,027.00	10,999,156.77
Classified Salaries	11,221,565.40	11,221,565.40	99,229.00	21,385.00	11,342,179.40
Employee Benefits	12,229,612.37	12,229,092.22	-	-	12,229,092.22
Books and Supplies	3,356,295.73	3,347,807.54	(23,245.85)	161,178.13	3,485,739.82
Services, Other Operating Expenses	9,188,678.00	9,549,369.59	594,400.00	27,060.98	10,170,830.57
Capital Outlay	698,115.00	698,115.00	25,000.00	-	723,115.00
Other Outgo	6,624,756.00	6,624,756.00	-	-	6,624,756.00
Interprogram Support	(69,269.00)	(72,206.00)	(19,231.52)	19,231.52	(72,206.00)
TOTAL EXPENDITURES	54,217,627.20	54,556,571.02	711,210.13	234,882.63	55,502,663.78
INTERFUND TRANSFERS					
Transfers In	-	-	-	-	-
Transfers Out	45,000.00	45,000.00	-	-	45,000.00
TOTAL INTERFUND TRANSFERS	45,000.00	45,000.00	-	-	45,000.00
FUND BALANCE					
Beginning Fund Balance	22,520,870.72	22,520,870.72	-	-	22,520,870.72
Net Increase/(Decrease)	65,498.70	14,180.70	(711,210.13)	(3,000.00)	(700,029.43)
ENDING FUND BALANCE	22,586,369.42	22,535,051.42	(711,210.13)	(3,000.00)	21,820,841.29
<p>Pacheco Bill Compliance: First year's cost to covert Financial Software to Escape, district support for Financial System implementation and partial 1st year's license fees totaling \$538,062.</p> <p>Rebekah Children's Services contract increased to \$51,140 from \$46,220. The increase of \$4,920 is due to more therapy needed which is reflected in the student's IEP file.</p>					

Budget Variance Detail for
September, 2018
October 18, 2018 Board Meeting

Description (Object Code Range)	Res	Program	2018-19	2018-19	Variance		2018-19	2018-19
			Adopted Budget	Approved 9/20/18	Unrestricted	Restricted	Board Meeting 10/18/18	Approved 10/18/18
REVENUE								
Local Control Funding Formula (8010-8099)			27,242,923.00					
Total Local Control Funding Formula			27,242,923.00	27,242,923.00	-	-	27,242,923.00	27,242,923.00
Federal Revenues (8100-8299)			7,405,876.00					
Total Federal Revenues			7,405,876.00	7,405,876.00	-	-	7,405,876.00	7,405,876.00
State Revenues (8300-8599)			7,932,026.13					
Total State Revenues			7,932,026.13	7,932,026.13	-	-	7,932,026.13	7,932,026.13
Local Revenues (8600-8799)			11,747,300.77					
REVENUE INCREASE-SET UP BUDGET	5810	OTHER RESTRICTED FEDERAL				541.00		
SET UP BUDGET	9010	OTHER RESTRICTED LOCAL				148,804.00		
SET UP SCHOOL COUNSELOR GRANT	9064	S4C				50,000.00		
INCREASE TO INCLUDE GRANT CARRYOVER	9135	CREEC BUDGET ACT GRANT				32,537.63		
Total Local Revenues			11,747,300.77	12,034,926.77	-	231,882.63	12,266,809.40	12,266,809.40
Other Financing Sources (8900-8997)								
TO COVER SR. ADMIN ASSIST	0060	ADMINISTRATION			88,351.00			
TO COVER SR. ADMIN ASSIST	0090	EDUCATION & ADMIN OPERATIONS			(88,351.00)			
Total Other Financing Sources			-	-	-	-	-	-
TOTAL REVENUE			54,328,125.90	54,615,751.90	-	231,882.63	54,847,634.53	54,847,634.53
BEGINNING FUND BALANCE (8999)			22,520,870.72					
Total Beginning Fund Balance			22,520,870.72	22,520,870.72	-	-	22,520,870.72	22,520,870.72
TOTAL REVENUE PLUS BEGINNING BALANCE			76,848,996.62	77,136,622.62	-	231,882.63	77,368,505.25	77,368,505.25
EXPENDITURES								
Certificated Salaries (1000-1999)			10,967,873.70					
TO COVER EWAs	0090	EDUCATIONAL SERVICES			35,058.50			
TO COVER EWA	9064	S4C				11,250.00		
REVERSE EWA	9135	CREEC BUDGET ACT GRANT				(5,223.00)		
Total Certificated Salaries			10,967,873.70	10,958,071.27	35,058.50	6,027.00	10,999,156.77	10,999,156.77
Classified Salaries (2000-2999)			11,221,565.40					
TO COVER SR ADMINISTRATIVE ASSISTANT	0060	ADMINISTRATION			51,480.00			
MOVE FUNDS TO COVER SWITCH CONTRACT	0090	EDUCATION & ADMIN OPERATIONS			(15,000.00)			
TO COVER SALARIES	0620	COUNTY COMMUNITY SCHOOLS			42,749.00			
SET-UP SP ED BUDGET IN LOTTERY	1100	LOTTERY:UNRESTRICTED			20,000.00			
SET-UP BUDGET	5810	OTHER RESTRICTED FEDERAL				521.00		
SET-UP BUDGET FOR STUDENT WORKERS	6520	SP ED:PRJ WORKABILITY I LEA				9,875.00		
TO COVER EWAs	9010	OTHER RESTRICTED LOCAL				10,989.00		
Total Classified Salaries			11,221,565.40	11,221,565.40	99,229.00	21,385.00	11,342,179.40	11,342,179.40

Budget Variance Detail for
September, 2018
October 18, 2018 Board Meeting

Employee Benefits (3000-3999)			12,229,612.37						
Total Employee Benefits			12,229,612.37	12,229,092.22	-	-	12,229,092.22	12,229,092.22	
Books and Supplies (4000-4999)			3,356,295.73						
CLEAN UP WORKING BUDGET	0030	EDUCATIONAL SERVICES			0.01				
ADJUST DIRECT/INDIRECT COSTS TO BALANCE	0040	MAINTENANCE			5,000.00				
ADJUST DIRECT/INDIRECT COSTS TO BALANCE	0050	OPERATIONS			7,308.00				
ADJUST DIRECT/INDIRECT COSTS TO BALANCE	0060	ADMINISTRATION			6,923.52				
TO COVER BENEFITS FOR SR ADMIN ASSISTANT	0060	ADMINISTRATION			36,871.00				
TO COVER COMMERCIAL COFFEE MAKER, PHONE FOR SP ED	0090	EDUCATION & ADMIN OPERATIONS			700.00				
TO COVER EWA IN SP ED	0090	EDUCATION & ADMIN OPERATIONS			1,259.00				
CARRYOVER FROM 17/18 GRANT	0090	EDUCATION & ADMIN OPERATIONS			930.43				
ALLOCATE BUDGET	0610	JUVENILE COURT SCHOOLS			(43,384.02)				
TO FUND TINY HOUSE	0620	COUNTY COMMUNITY SCHOOLS			(39,737.00)				
TO CLEAN UP BUDGET	0830	ROC/P APPORTIONMENT			0.01				
SET-UP SP ED BUDGET IN LOTTERY	1100	LOTTERY:UNRESTRICTED			883.20				
TO CLEAN UP BUDGET	3310	SP ED-IDEA BAS GRNT ENTL				(0.04)			
TO CLEAN UP BUDGET	3385	SP ED-IDEA EARLY INTERV GRANTS				0.01			
TO COVER EXPENSES	5810	OTHER RESTRICTED FEDERAL				20.00			
TO CLEAN UP BUDGET	6500	SPECIAL EDUCATION				0.04			
SET-UP BUDGET FOR STUDENT WORKERS	6520	SP ED:PRJ WORKABILITY I LEA				436.08			
TO COVER SALARY BENEFITS	9010	OTHER RESTRICTED LOCAL				150,418.92			
TO COVER COMPUTER & EWA BENEFITS	9064	S4C				5,762.37			
ALLOCATE BUDGET	9135	CREEC BUDGET ACT GRNT				4,540.78			
TO CLEAN UP BUDGET	9366	IV-E FOSTER CARE ADMIN ACT/MT				0.01			
TO CLEAN UP BUDGET	9410	WORKFORCE YOUTH SVCS-FED PT				(0.04)			
Total Books and Supplies			3,356,295.73	3,347,807.72	(23,245.85)	161,178.15	3,485,740.00	3,485,740.00	
Services, Other Operating Expenses (5000-5999)			9,188,678.00						
1ST YR COST TO COVERT FINANCIAL SOFTWARE TO ESCAPE	0090	EDUCATION & ADMIN OPERATIONS			538,062.00				
TO COVER EWA AND THE SWITCH CONTRACT	0090	EDUCATION & ADMIN OPERATIONS			20,000.00				
CARRYOVER FROM 17/18 GRANT	0090	EDUCATION & ADMIN OPERATIONS			15,866.00				
CONTRACTS	0091	SPECIAL PROJECTS			5,000.00				
TO COVER ANNUAL COSTS	0610	JUVENILE COURT SCHOOLS			43,384.00				
TO COVER NATURAL BRIDGES LEASE & CLEAN UP	0620	COUNTY COMMUNITY SCHOOLS			(28,012.00)				
TO COVER STUDENT WORKERS	6520	SP ED:PRJ WORKABILITY I LEA				(10,311.08)			
ALLOCATE BUDGET	9010	OTHER RESTRICTED LOCAL				(22,089.92)			
SET-UP SCHOOL COUNSELOR GRANT	9064	S4C				28,791.63			
ALLOCATE BUDGET	9135	CREEC BUDGET ACT GRNT				30,670.35			
Total Services, Other Operating Expenses			9,188,678.00	9,549,369.59	594,400.00	27,060.98	10,170,830.57	10,170,830.57	
Capital Outlay (6000-6999)			698,115.00						
TO COVER TINY HOUSE	0620	COUNTY COMMUNITY SCHOOLS			25,000.00				
Total Capital Outlay			698,115.00	698,115.00	25,000.00	-	723,115.00	723,115.00	
Other Outgo (7100-7299, 7400-7499)			6,624,756.00						
Total Other Outgo			6,624,756.00	6,624,756.00	-	-	6,624,756.00	6,624,756.00	
Interprogram Support Services (7300-7399)			(69,269.00)						
ADJUST DIRECT/INDIRECT COSTS TO BALANCE	0040	MAINTENANCE			(5,000.00)				
ADJUST DIRECT/INDIRECT COSTS TO BALANCE	0050	OPERATIONS			(7,308.00)				
ADJUST DIRECT/INDIRECT COSTS TO BALANCE	0060	ADMINISTRATION			(6,923.52)				
SET UP BUDGET	9010	OTHER RESTRICTED LOCAL				12,486.00			
SET UP SCHOOL COUNSELOR GRANT	9064	S4C				4,196.00			
ALLOCATE BUDGET	9135	CREEC BUDGET ACT GRNT				2,549.52			
Total Interprogram Support			(69,269.00)	(72,206.00)	(19,231.52)	19,231.52	(72,206.00)	(72,206.00)	

Budget Variance Detail for
September, 2018
October 18, 2018 Board Meeting

Interfund Transfers Out (7600-7629)		45,000.00					
Total Interfund Transfers Out		45,000.00	45,000.00	-	-	45,000.00	45,000.00
TOTAL EXPENDITURES		54,262,627.20	54,601,571.20	711,210.13	234,882.83	55,547,663.96	55,547,663.96
ENDING FUND BALANCE		22,586,369.42	22,535,051.42	(711,210.13)	(3,000.00)	21,820,841.29	21,820,841.29
Total Expenditures plus Ending Fund Balance (7999)		76,846,996.62	77,136,622.62	-	231,882.83	77,368,505.25	77,368,505.25
Ending Fund Balance Change Detail (7999):		22,586,369.42					
TO COVER EWA FOR OFF SITE STAFF EVALUATIONS	0090 EDUCATION & ADMIN OPERATIONS			(21,317.50)			
1ST YR COST TO COVERT FINANCIAL SOFTWARE TO ESCAPE	0090 EDUCATION & ADMIN OPERATIONS			(538,062.00)			
CARRYOVER FROM 17/18 GRANT	0090 EDUCATION & ADMIN OPERATIONS			(16,896.43)			
TO COVER SR ADMIN ASST	0090 EDUCATION & ADMIN OPERATIONS			(88,351.00)			
TO COVER PHONE FOR SP ED & COMMERCIAL COFFEE MAKER	0090 EDUCATION & ADMIN OPERATIONS			(700.00)			
TO COVER EWA & THE SWITCH CONTRACT	0090 EDUCATION & ADMIN OPERATIONS			(20,000.00)			
TO COVER 2ND SATURDAY ED & CULTURE NETWORK CONTRACT	0091 SPECIAL PROJECTS			(5,000.00)			
TO COVER SP ED EXPENSES	1100 LOTTERY UNRESTRICTED			(20,883.20)			
ALLOCATE EXPENDITURES	9010 OTHER RESTRICTED LOCAL				(3,000.00)		
Net Increase/(Decrease) in Ending Fund Balance		22,586,369.42	22,535,051.42	(711,210.13)	(3,000.00)	21,820,841.29	21,820,841.29

SUPERINTENDENT’S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Gifts and Donations

DEPARTMENT/PROGRAM:

Santa Cruz County Board of Education

ACTION REQUESTED:

Accept gifts and donations as follows:

<u>Program</u>	<u>Donor</u>	<u>Value</u>
Foster Youth*	UCSC	\$60.00
Foster Youth*	Marjorie Way	\$20.00
Foster Youth*	Joan Colonna	\$25.00
CTEP	Sandy Mast	\$77.27
Special Education	Santa Cruz Arts	\$1,200.00

*All donations were for the stuff the bus backpack drive.

PREVIOUS STAFF/BOARD ACTION:

None. An acknowledgement letter will be sent to the donor following Board Action.

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

County Board of Education Policy P-3280, requires that all gifts and donations received by programs conducted by the County Superintendent of Schools be accepted by the County Board of Education.

FISCAL IMPLICATIONS:

Gifts/Donations received will be utilized by the programs to which they were donated.

CONTACT PERSON(S):

Michael Watkins, Superintendent

Jim Guss, Executive Aide to the Superintendent

SUPERINTENDENT’S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Disposal of Surplus Equipment

DEPARTMENT/PROGRAM:

Business Services/Administration

ACTION REQUESTED:

Find the property to be of insufficient value and approve disposal of property.

PREVIOUS STAFF/BOARD ACTION:

None.

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

Please see the attached memo from Mary Hart, Deputy Superintendent, Business Services, dated October 18, 2018.

FISCAL IMPLICATIONS:

None.

CONTACT PERSON(S):

Mary Hart, Deputy Superintendent, Business Services

SALE OR OTHER DISPOSITION OF SURPLUS PERSONAL PROPERTY

The Santa Cruz County Superintendent of Schools (County Superintendent) may sell or otherwise dispose of any personal property that he/she declares surplus to the needs of the Santa Cruz County Office of Education (SCCOE), through a process consistent with Education Code.

Personal property is defined as instructional materials, equipment, relocatable buildings, supplies, vehicles, and other such items.

The following shall be the order in which disposal is accomplished.

1. The County Superintendent is required to certify the value of the property in a report to the Santa Cruz County Board of Education (County Board) for its review.
2. Offer the property at fair market value to all school districts within Santa Cruz County.
3. Conduct a public sale at fair market value.
4. Surplus personal property that the County Superintendent and the County Board agree to be of insufficient value to defray the cost of arranging a sale shall be disposed of in the most efficient manner not inconsistent with the Education Code.

For surplus personal property estimated to be over \$25,000 that belongs to SCCOE, the County Superintendent is required by law to:

1. Obtain an independent evaluation of the property.
2. Bring the proposed sale to the attention of the County Board for its approval.
3. Advertise property for sale in a newspaper of general circulation for no less than one week.

**SALE OR OTHER DISPOSITION OF SURPLUS PERSONAL PROPERTY
(continued)**

Legal Reference:

EDUCATION CODE

1279 County Superintendent of Schools, disposing of personal property

1605 Property Title

17540-17542 Sale or lease of personal property by or on district to another

17545-17555 Sale of personal property

35168 Inventory, including record of time and mode of disposal

60500-60530 Sale, donation, or disposal of instructional materials

GOVERNMENT CODE

25505 District property, disposition, proceeds

CODE OF REGULATIONS, TITLE 5

3944 Consolidated categorical programs, district title to equipment

3946 Disposal of equipment purchased with state and federal consolidated application funds

UNITED STATES CODE, TITLE 40

549 Surplus Property

Adopted 11/20/2014



BOARD OF EDUCATION

Ms. Jane Royer Barr
Ms. Rose Filicetti
Ms. Sandra Nichols
Ms. Sue Roth
Mr. Dana M. Sales
Mr. Abel Sanchez
Mr. Bruce Van Allen

Michael C. Watkins, Superintendent • 400 Encinal Street, Santa Cruz, CA 95060 • 831-466-5600 • FAX 831-466-5607 • www.santacruzcoe.org

To: County Office of Education Board of Trustees
From: Mary Hart, Deputy Superintendent, Business
Date: October 18, 2018
RE: Surplus Property

The County Office of Education (COE) owns two Hewlett Packard MICR printers, serial numbers JPRL87F001 and JPRL7CH087. Through research we have found the printers have no value on the local market. Our recommendation is to dispose of the printers to a local not for profit agency.

EC § 1279. Disposal of personal property by county superintendent of schools

- “(a) The county superintendent of schools shall not in any manner dispose of any item of personal property worth *over* twenty-five thousand dollars (\$25,000) that belongs to the county office of education without meeting the following conditions:
- (1) Obtaining an independent valuation of the property.
 - (2) Advertising the property for sale in a newspaper of general circulation within the district, or, if there is no newspaper of general circulation within the district, in any newspaper of general circulation that is regularly circulated in the district. The advertisement shall be published for a period of time in accordance with the policy of the county board of education.
 - (3) Bringing the matter to the attention of the county board of education for its discussion at a regularly scheduled public meeting.
 - (4) Obtaining the approval of the county board of education.
- (b) **The county superintendent of schools shall not in any manner dispose of any personal property worth less than twenty-five thousand dollars (\$25,000) that belongs to the county office of education unless he or she certifies the value of the property in a quarterly report and submits that report to the county board of education for its review.”**

EC § 17546. Private sale of personal property; disposition of property unsold at public auction or of insufficient value to defray cost of sale

- “(a) If the governing board, by a unanimous vote of those members present, finds that the property, whether one or more items, does not exceed in value the sum of two thousand five hundred dollars (\$2,500), it may be sold at private sale without advertising, by any employee of the district empowered for that purpose by the board.
- (b) Any item or items of property having previously been offered for sale pursuant to Section 17545, but for which no qualified bid was received, may be sold at private sale without advertising by any employee of the district empowered for that purpose by the board.
- (c) *If the board, by a unanimous vote of those members present, finds that the property is of insufficient value to defray the costs of arranging a sale, the property may be donated to a charitable organization deemed appropriate by the board, or it may be disposed .”*

Education Code 17546 (c) the board must evaluate and vote on the disposal method for the copier.

RECOMMENDATION: The administration recommends upon a unanimous vote per EC 17546 c to dispose of the property through to a local not for profit agency.

SUPERINTENDENT'S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Adopt Resolution 18-16 Gann Appropriations Limit

DEPARTMENT/PROGRAM:

Business Services

ACTION REQUESTED:

Adopt Resolution 18-16, Gann Amendment Appropriations

PREVIOUS STAFF/BOARD ACTION:

Annual action requiring Board adoption

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

The Gann Constitutional amendment (Proposition 4, 1979) limits the growth in appropriations made by the State of California, school districts and local governments. All districts and county offices of education are required by Constitutional Amendment and subsequent legislation to adopt a Gann Limit each year by Board resolution.

FISCAL IMPLICATIONS:

None. Finalizes appropriations limit for 2017-18 and projected appropriations limit for 2018-19 in accordance with applicable law.

CONTACT PERSON(S):

Mary Hart, Deputy Superintendent, Business Services
Jean Gardner, Senior Director, Fiscal Services
Rebecca Olker, Manager, Internal Business Services



BOARD OF EDUCATION
 Ms. Jane Royer Barr
 Ms. Rose Filicetti
 Ms. Sandra Nichols
 Ms. Sue Roth
 Mr. Dana M. Sales
 Mr. Abel Sanchez
 Mr. Bruce Van Allen

Michael C. Watkins, Superintendent • 400 Encinal Street, Santa Cruz, CA 95060 • 831-466-5600 • FAX 831-466-5607 • www.santacruz.k12.ca.us

**SANTA CRUZ COUNTY BOARD OF EDUCATION
 GANN APPROPRIATIONS LIMIT**

RESOLUTION 18-16

WHEREAS, in November 1979, the California electorate adopted Proposition 4, commonly called the Gann Amendment which establishes Article XIII B of the Constitution of the State of California, and

WHEREAS, the provisions of that amendment establish maximum appropriation limitations, commonly called “Gann Limits” for public agencies including school districts and County Offices of Education, and

WHEREAS, the Santa Cruz County Office of Education must establish a Gann Limit for the 2017-2018 fiscal year and a projected Gann Limit for the 2018-2019 fiscal year in accordance with the provisions of Division 9 (commencing with Section 7900) of Title I of the Government Code;

NOW, THEREFORE, BE IT RESOLVED that the governing board of the Office of the Santa Cruz County Superintendent of Schools does provide public notice that the attached calculations and documentation of the 2017-18 and 2018-19 Gann Limits are made in accord with applicable constitutional and statutory law and that the board does hereby declare that the appropriations in the 2017-2018 fiscal year does not exceed the limitations imposed by Article XIII B;

AND BE IT FURTHER RESOLVED that the Superintendent provided copies of this resolution along with appropriate attachments to interested citizens.

PASSED AND ADOPTED by roll call vote this 18th day of October, 2018:

Ayes:
 Noes:
 Abstain:
 Absent:

 Bruce Van Allen President
 Santa Cruz County Board of Education

 Michael C. Watkins, Secretary to the Board
 Santa Cruz County Superintendent of Schools

SUPERINTENDENT'S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Public Hearings/New Business and Action Items: Resolution 18-17: Short-Term Cash Loans to Santa Cruz County School Districts

DEPARTMENT/PROGRAM:

Business Services

ACTION REQUESTED:

Board Approval

PREVIOUS STAFF/BOARD ACTION:

None

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

Under Education Codes 42621 and 42622, County Offices of Education have the authority, with governing board approval, to make short-term cash loans to school districts that may not meet their cash-flow needs.

FISCAL IMPLICATIONS:

The Superintendent recommends that the Board adopt Board Resolution No. 18-17. This Resolution, pursuant to Education Code (E.C.) 42621 and E.C. 42622, is to allow the Superintendent to loan from the Santa Cruz County School Service Fund to the various individual school districts in Santa Cruz County experiencing a cash-flow emergency. The amount to be allowed for loaning is capped at \$5,000,000 on a first-come first-served basis. If there is a critical need to increase this cap the Superintendent will bring to the board a request for an increase in the cap. Any use of this authorization is to provide a temporary "bridge loan" during fiscal year (FY) 2018-19 that addresses a school district's realized/projected cash shortfall that would otherwise cause a district to not meet an immediate financial obligation and that would negatively impact payroll processing for district employees.

Any school district requesting and approved for a SCCOE bridge loan will be obligated to repay the SCCOE fully and with a pro-rated daily interest rate equivalent to the rate that would be otherwise accrued by funds held in the Santa Cruz County Treasury. Repayment of cash by the borrowing district will be made from a regularly-scheduled apportionment from the State of California during FY 2018-19 or 2019-20.

CONTACT PERSON(S):

Mary Hart, Deputy Superintendent, Business Services
Jean Gardner, Senior Director, Fiscal Services

RESOLUTION 18-17**AUTHORIZING TEMPORARY CASH LOANS TO
SANTA CRUZ COUNTY SCHOOL DISTRICTS**

WHEREAS, Education Code (EC) 42621 and 42622 allow “the county superintendent of schools of each county with the approval of the County Board of Education, may make temporary transfers to any school district which does not have sufficient money to its credit to meet current operating expenses from the county school service fund, in such amounts and at such times as he deems necessary. Such transfers shall not exceed 85 percent of the amount of money accruing to the school district at the time of transfer. The amounts so transferred shall be repaid to the county school service fund from any funds subsequently received by the school district”; and

WHEREAS, Repayment of any temporary “bridge loan” authorized by this Resolution may be required during the current fiscal year in conformance with EC 42621, unless otherwise agreed upon by SCCOE and in conformance with EC 42622; and, the COE may make the transfer to repay any temporary “bridge loan” from the first available funds received by the district; and

WHEREAS, EC 42622 allows the county superintendent of schools, with approval of the County Board of Education, to “make an apportionment to a school district from the county school service fund conditional upon the repayment to the fund during the next succeeding fiscal year of the amount apportioned to the district and shall, during the next succeeding fiscal year, transfer the amount of such apportionment from the general fund of the district to the county school service fund”; and

WHEREAS, The total of all loans by the Santa Cruz County Superintendent of Schools, pursuant to this Resolution, shall be approved by the County Office of Education’s Chief Business Official based on verified need and only for the amount needed by a district in addition the total amount available for distribution to all districts without additional board approval is \$5,000,000; the funds will be distributed on a first-come first-served basis; and

NOW THEREFORE, BE IT RESOLVED, that the Santa Cruz County Board of Education hereby authorizes the Santa Cruz County Superintendent of Schools to loan to school districts who met the criteria established above, to be repaid with interest pursuant to this Resolution or EC 42621 or EC 42622 as determined and agreed upon, with no administrative fee to be imposed.

Resolution #18-17

Authorizing Temporary Cash Loans to Santa Cruz County School Districts

Page 2

PASSED AND ADOPTED by the Santa Cruz County Board of Education on this 18th day of October 2018 by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Bruce Van Allen, President
Santa Cruz County Board of Education

Michael Watkins, Secretary
Santa Cruz County Superintendent of Schools

SUPERINTENDENT’S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Pacific Collegiate Charter School MOU

DEPARTMENT/PROGRAM:

Business Services/Administration

ACTION REQUESTED:

Board Approval

PREVIOUS STAFF/BOARD Action:

None

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

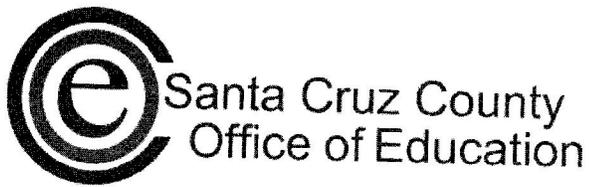
Revision of the Pacific Collegiate Charter School MOU concerning usage of financial system.

FISCAL IMPLICATIONS:

None

CONTACT PERSON(S):

Mary Hart, Deputy Superintendent, Business Services



BOARD OF EDUCATION
Ms. Jane Royer Barr
Ms. Rose Filicetti
Ms. Sandra Nichols
Ms. Sue Roth
Mr. Dana M. Sales
Mr. Abel Sanchez
Mr. Bruce Van Allen

Michael C. Watkins, Superintendent • 400 Encinal Street, Santa Cruz, CA 95060 • 831-466-5600 • FAX 831-466-5607 • www.santacruzcoe.org

To: Santa Cruz County Office Board of Trustees

From: Mary Hart, Deputy Superintendent, Business 

Date: October 19, 2018

RE: Pacific Collegiate MOU

Pacific Collegiate Schools (PCS), current MOU states that they must use our Financial System. As we transition to Escape they had also been having conversations in house to perhaps use a "back office" service. This Service which is used by many Charter Organizations will process their payroll and financial information for the Charter School. PCS will still be required to send the Santa Cruz County Office of Education (SCCOE) their financial information and work with us on the reviews each quarter. In addition, PCS will be required to submit their PERS and STRS data to us for processing.

The Business division of the SCCOE feels this process will be sufficient and that we can release PCS from having to use our Financial System. The MOU attached changes the wording to allow for this and includes language regarding the STRS and PERS processing as well as the monthly cost for this processing.

The change will occur July 1, 2019.

Administration recommendation: Approve the change in the MOU.

Charter School Memorandum of Understanding

Between

Santa Cruz County Board of Education,

Santa Cruz County Superintendent of
Schools/Office of Education,

And

Pacific Collegiate School

July 1, 2015- June 30, 2020

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is made and entered into this 19th day of February by, between, and among the Santa Cruz County Board of Education (hereinafter "the County Board"), Santa Cruz County Superintendent of Schools/Office of Education (hereinafter "the Santa Cruz COE"), and Pacific Collegiate School, (hereinafter referred to as "PCS" or "Charter School"). Hereinafter, the County Board, the Santa Cruz COE, and PCS shall be collectively referred to as "the parties."

I. PURPOSE OF MEMORANDUM OF UNDERSTANDING

- A. The State of California enacted the Charter Schools Act of 1992 (hereinafter "The Act") authorizing the formation of charter schools with the intent that the schools improve student learning through a variety of means, including increased learning opportunities, innovative teaching methods, performance-based accountability, and expanded choice for parents within the public school system.
- B. The Act authorizes the County Board to grant charter petitions under specified circumstances. The County Board has approved a charter renewal petition for PCS for a five-year period beginning July 1, 2015 through June 30, 2020, (hereinafter the "renewed Charter").
- C. PCS is operated as a California non-profit public benefit corporation in accordance with Education Code section 47604. PCS and its Board of Directors are responsible for the Charter School's compliance with the terms of the renewed Charter and with this MOU.
- D. All parties agree that no single party to this MOU waives any of the rights, responsibilities and privileges established by the Charter Schools Act of 1992 that may change from time to time during the Term of this MOU unless specifically addressed in this MOU.
- E. To the extent permitted by applicable law, the County Board has, by agreement with the Santa Cruz COE, delegated its obligations to oversee the Charter School whether arising at law, by the terms of Charter School's renewed Charter, by this Agreement, or from any other source, to the Santa Cruz COE; and in connection with the said delegation, the Santa Cruz COE shall report periodically to the County Board.
- F. The fundamental interest of the Santa Cruz COE and County Board is – on a continuing basis – to be reasonably assured that PCS is:
 - Implementing the provisions of the renewed Charter as approved.
 - Obeying all requirements of federal, state, and local law that apply to the Charter School.
 - Being operated prudently and soundly in all respects.
 - Providing a sound education for all of the Charter School's students.

- G. The parties recognize that there are a limited number of matters related to the operation of this Charter School and the effective oversight of PCS, which go beyond the provisions included in the Charter School's renewed Charter or which need further clarification. Santa Cruz COE also acknowledges that the operation of Charter School is to be solely carried out by PCS. This MOU is intended to address those matters that have not been covered in the renewed Charter and to provide guidance on the oversight policies and procedures of Santa Cruz COE. Further, this MOU is intended to outline the parties' agreements governing their respective fiscal and administrative responsibilities and their legal relationships.
- H. The parties recognize and agree that PCS shall not charge tuition, shall be nonsectarian, and shall be open to all students regardless of the characteristics listed in Education Code Section 220 (actual or perceived disability, gender, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code or association with an individual who has any of the aforementioned characteristics) and those provisions of non-discrimination shall apply as well to employment.

II. TERM OF MEMORANDUM OF UNDERSTANDING

- A. This MOU, provided it is fully executed by all parties, shall cover the term of the renewed Charter's five (5) fiscal years commencing on July 1, 2015, and ending on June 30, 2020 ("Term"). This MOU between and among the Santa Cruz County Board of Education, Santa Cruz COE, and PCS shall include Attachments A (Additional Services), B (SELPA Charter Policy), C (SELPA Assurances) and D (Timeline), and E (the Charter Policy) and is subject to termination during this Term or during any subsequent renewal of the Charter as specified by law or as otherwise set forth in this MOU. The "effective date" of the Charter School's renewal is July 1, 2015.
- B. Any modification of this MOU must be in writing and executed by duly authorized representatives of all parties.
 - 1. The duly authorized representative of PCS are its Board President, Principal, or designee.
 - 2. The duly authorized representative of the County Board is the President of the County Board of Education or designee.
 - 3. The duly authorized representative of the Santa Cruz COE is the County Superintendent of Schools or designee. For purposes of material amendments to the renewed Charter, such amendments take effect only if approved by PCS and the County Board.
- C. This MOU is for the term of the Charter and shall be reviewed at least annually by the parties. Proposed revisions to the MOU will be submitted by February 1 annually, or as may be requested by PCS or the Santa Cruz COE. In the case of mid-year changes in applicable laws, the Santa Cruz COE reserves the right to request mid-year modifications to this MOU. Such modifications, if agreed upon, will be included as addendums to the MOU. Mutual agreement is not required if the change in

applicable law is mandatory. The approved MOU and addendums will continue unless modified and agreed to in writing by all parties. This MOU will automatically expire upon the expiration or revocation of the renewed Charter. However, the MOU will not expire pending any appeal of a denied renewal or revocation.

III. TERM, RENEWAL, AND REVOCATION OF CHARTER

- A. PCS is a public charter school that shall be operated pursuant to the renewed charter petition (Attachment B). The Charter School's renewal was granted by the County Board on October 16, 2014
- B. Charter School will continue to operate with grades 7 through 12 and may grow to serve an approximate enrollment of up to 604 students (current estimated site capacity) during the chartered renewal period.
- C. PCS shall be responsible for all the functions of the Charter School as a public charter school subject to terms and conditions set forth in this MOU, the renewed Charter and applicable law.
- D. Charter School's renewed Charter shall have a five (5) year term and expire on June 30, 2020. The parties acknowledge that the provisions of the renewed Charter and this MOU are not intended to conflict. However, in case of conflict between the renewed Charter and MOU the parties agree to meet as soon as possible to negotiate an amendment to the MOU (or Charter, if necessary – which shall require County Board approval for material changes). In the interim, however, the charter shall control.
- E. Future review and renewal of the renewed charter shall be in accordance with state and federal law, and as described under Section 4.3 of this MOU. The County Board reserves the right to approve amendments to the Charter and/or revoke the Charter as specified in EC section 47607 and applicable regulations, if any.

SECTION 1: GOVERNANCE AND ORGANIZATIONAL MANAGEMENT

- A. The Charter School will operate as a non-profit public benefit corporation consistent with EC Section 47604(a) during the entire term of the approved Petition. PCS is a separate legal entity and neither the County Board nor the Santa Cruz COE is liable for the debts and obligations of PCS as per EC Section 47604(c).
- B. The County Board reserves the right to appoint a representative to the PCS Board of Directors in accordance with EC Section 47604 (b).
- C. PCS will use all revenue received from state and federal sources only for the educational services and related activities specified in the renewed Charter and this MOU for the benefit of the students enrolled and attending Charter School.

- D. Other sources of funding must be used in accordance with applicable state and federal statutes, and the terms or conditions, if any, of any grant or donation. The use of all such funds must be consistent with the approved Charter Petition.

1.1 Organization

Prior to the effective date of renewal, and at all times it is operational, PCS will have the following information posted on its Internet site (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Contact information, including phone numbers and e-mail addresses of the principal contacts for Charter School; and
- b) The Charter School's management organization chart displaying PCS' governing board and listing of all the names and contact information for the Charter School leadership.

PCS will provide Santa Cruz COE with written notice of any change in the directors, officers, and administrators within twenty (20) working days.

1.2 Governing Board Composition

Prior to the effective date of renewal, and at all times it is operational, PCS will have the following information posted on its Internet site (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Updated Articles of Incorporation as filed with the California Secretary of State.
- b) Updated Bylaws approved by PCS.
- c) Notice of approval of federal 501(c)(3) tax-exempt status of PCS.
- d) Conflict of Interest policy applicable to PCS.
- e) Roster of current Board of Directors of PCS.
- f) Membership process for the Board of Directors of PCS.

1.3 Governing Board Activities

- a) Calendar: PCS shall provide Santa Cruz COE an annual calendar of regular governing board meetings for PCS including a description of how parents of PCS students and community members will be notified of the meetings. This calendar shall be posted on the Internet (<http://www.pacificcollegiate.com/>).
- b) Brown Act Training: Prior to the effective date of renewal, PCS shall provide verification by letter to Santa Cruz COE that all members of the governing board of PCS, administrative staff, and any other staff relative to the Charter School deemed appropriate by PCS have participated in Brown Act training.
- c) Governing Board Meetings: The governing board of PCS shall conduct public meetings at such intervals as are necessary to ensure that the governing board is

providing sufficient direction to PCS through implementation of effective policies and procedures. Governing board meetings of PCS will be conducted in keeping with the requirements of the Ralph M. Brown Act (Government Code sections 54950 – 54962) and shall be located in Santa Cruz County.

- i. All agendas shall be provided to the Santa Cruz COE electronically in advance of all board meetings to the County Superintendent and Associate Superintendents when posted and such posting shall be in a conspicuous location and on the Internet (<http://www.pacificcollegiate.com/>) in accordance with the Brown Act. Advance notice to the Santa Cruz COE shall be in compliance with the Brown Act.
 - ii. Minutes of each meeting whether regular or special shall also be published and made available to the Santa Cruz COE within twenty (20) working days of approval and within 60 days of the date of the meeting.
 - iii. Approved Charter School Governing board meeting agendas and minutes will be posted on the Internet (<http://www.pacificcollegiate.com/>).
 - iv. Governing Board meeting agendas and minutes of PCS shall be maintained and available for public inspection and during site visits.
- d) Governing Board Policies: The Governing Board will adopt policies and procedures to guide the operation of PCS, and PCS will post the policies and procedures on the Internet (<http://www.pacificcollegiate.com/>), updating the posting as quickly as possible following any change. The policies and procedures will include, but not be limited to, the following:
- i. Conflicts of Interest: Prior to effective date of renewal, PCS' Governing board shall: (1) adopt a Conflict of Interest Policy, including provisions related to nepotism, for itself, for Charter School, and for PCS' employees and contractors, to ensure that no action taken by an individual or organization covered by the policy results in an actual or apparent conflict of interest; and (2) provide Santa Cruz COE verification in writing annually that all PCS board members and employees deemed appropriate by PCS have participated in conflict of interest training on Government Code Section 1090 et seq. Such policies shall include the limitations under Section 1090 and specifically contracts between the Charter School and members of the Charter School Governing Board.
 - ii. Should the Charter School receive a qualified or negative certification, the Santa Cruz COE shall receive at least 15 business days advance notice of any action by the Charter School to enter into a contractual commitment in excess of \$50,000. Employment contracts shall not be subject to this prior notice. However, contracts for independent contractors, consultants, construction services and/or goods/materials are subject to this pre-notice requirement.
 - iii. Internal Fiscal Controls: PCS will maintain internal fiscal control policies governing all financial activities of Charter School. PCS shall provide Santa Cruz COE a copy of its internal fiscal control policies governing all financial

activities approved by PCS' governing board as policies are revised. Such policies and procedures are subject to review during site visits to see that they are being implemented. Such internal fiscal controls shall include the requirement that the PCS board approve any contracts in excess of \$10,000.

- iv. **Campus Supervision:** Prior to the effective date of renewal, PCS shall provide Santa Cruz COE a copy of the governing board policy of PCS relative to the supervision of Charter School students before and after school and while on campus, student field trips, student pick-up, as well as a procedure for visitors to enter and leave campus.
 - v. **Discipline Policies:** Prior to the effective date of renewal, PCS shall provide Santa Cruz COE a copy of the Governing Board policies of PCS relative to student discipline, including a list of the offenses for which students may be suspended or expelled, the procedures for suspension or expulsion, procedures by which parents and students will be informed about reasons for suspension or expulsion, and of their due process rights in regard to either disciplinary action. These procedures must be consistent with the approved Charter Petition.
 - vi. **Parent/Student Handbook:** Prior to the effective date of renewal, PCS shall provide Santa Cruz COE a copy of the parent/student handbook for the Charter School. At a minimum, the handbook shall include detailed expectations for student attendance, behavior, and discipline, including policies and consequences for bullying and harassment, due process rights related to discipline (including suspension, expulsion, and special education), and a description of both informal and formal complaint procedures that parents may pursue in the event of disagreements. PCS will provide an electronic copy of the parent/student handbook to each family at the beginning of each year and will post a copy on the Internet. Upon request, PCS will promptly also provide a hardcopy of the parent/student handbook. This handbook shall also be available in Spanish.
- e) **Health and Safety Plan:** At all times that it is operational, PCS will have the following information posted on the Internet (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:
- i. A copy of the health, safety, and emergency plan for Charter School students and employees.
 - ii. Certification that staff has been trained in health, safety, and emergency procedures.

The health and safety plan shall address at a minimum, fire emergencies, earthquakes and other natural disasters, civil disorder, accidents, injuries, and other threats to the health and safety of students and staff. PCS shall provide training for staff in responding to emergencies and conduct emergency response drills for its students. PCS shall provide Santa Cruz COE a copy of the annual calendar of emergency drills for students at the Charter School.

- f) Notice to Parents/Guardians:
- i. Prior to the effective date of renewal, and at all times it is operational, PCS will have posted on the Internet (<http://www.pacificcollegiate.com/>) information concerning the rights of parents and guardians under the applicable provisions of the federal No Child Left Behind (NCLB) and the Family Educational Rights and Privacy Acts (FERPA), and will update the posting as quickly as possible whenever the information changes. Such notice and information shall be available in Spanish. PCS will also provide a hardcopy to families upon request.
 - ii. If the Charter School receives Title I funding on behalf of Charter School, parent notice shall provide information regarding the federal No Child Left Behind (NCLB) Act, including the right to request and receive essential information about the professional and educational background of the teacher(s) instructing their child and notification when their child is taught for four or more weeks by a teacher who is not "highly qualified."
 - iii. Provide notice to parents, per Education Code Section 35186 and § 1312, that PCS is required to utilize the board approved complaint process to resolve any complaint alleging non-compliance with applicable state and federal laws and regulations governing educational programs.
- g) Family Educational Rights and Privacy Act (FERPA): PCS employees have a legitimate educational interest such that they are entitled to access to education records under 20 U.S.C.A. § 1232g, the Family Educational Rights and Privacy Act (FERPA). The Charter School, its officers and employees shall comply with FERPA at all times. In addition, it is agreed that the Santa Cruz COE has a legitimate educational interest in the educational records of Charter School's students such that the Santa Cruz COE shall have access to those records. Records shall, at a minimum, include emergency contact information, health and immunization data, attendance summaries, and academic performance data from the statewide student assessments required pursuant to EC sections 60605 and 60851.
- h) Criminal Records Summaries: At all times during the Term of the renewed Charter, PCS employees who will be performing services with Charter School students that are not under the direct supervision of a certificated teacher, and onsite vendors having unsupervised contact with Charter School students will submit to background checks and fingerprinting in accordance with EC Section 45125.1. PCS will provide certification to Santa Cruz COE that all employees, and volunteers/vendors (as applicable) have clear criminal records summaries prior to their having any unsupervised contact with students. PCS shall maintain on file and have available for inspection during site visits, evidence that it has performed criminal background checks for all employees and documentation certifying that vendors have conducted required criminal background checks for their employees prior to any unsupervised contact with students.

1.4 Administration

Prior to the effective date of renewal, and at all times it is operational, PCS will have the following information listed in items 1.4(a) and 1.4(c) posted on the Internet (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Enrollment and Admissions Documentation:
 - i. Procedures for enrollment, admission, and the public random drawing.
 - ii. Descriptions of outreach and recruitment activities that have been conducted to reach target population.
 - iii. Evidence that the current enrollment preferences and random drawing preferences are consistent with the Charter and applicable law.
 - iv. A copy of the application and enrollment forms and information provided to prospective families.
 - v. Process for exiting a student from PCS for other than disciplinary reasons.

The above shall also be provided in Spanish.

By CBEDS date of each year, PCS shall also provide the Santa Cruz COE with electronic documentation of enrollment, including each student's name.

- b) Required Disclosures: PCS shall immediately notify Santa Cruz COE of any pending or actual litigation and/or claim from any party or notice of potential infraction, criminal or civil action against PCS, its officers or any employee, agent or volunteer that may involve or affect PCS. In addition, PCS shall immediately notify Santa Cruz COE of any request for information by any governmental agency about PCS. Santa Cruz COE shall immediately notify PCS of any pending or actual litigation and/or claim from any party or notice of any potential litigation and/or claim against Santa Cruz COE, the County Board, or PCS, that may involve or affect PCS. In addition, the Santa Cruz COE shall immediately notify PCS of any request for information by any governmental entity about the Charter School. The above notice requirements shall not be effective if the agency making the request asserts that the inquiry is confidential and not subject to disclosure.
- c) School Accountability Report Card (SARC): On or before February 1st of Charter School year, PCS shall post its SARC on the PCS website (<http://www.pacificcollegiate.com/>). PCS will use the template developed by the California Department of Education (CDE) as a guide which is available at <http://www.cde.ca.gov/ta/ac/sa>. PCS may add or delete elements of the SARC in accordance with applicable law.

- d) Inquiries or Requests for Information: PCS shall promptly respond to all reasonable inquiries by the Santa Cruz COE, County Board, the Superintendent of Public Instruction, and their respective designees, including but not limited to the financial records of the Charter School and shall consult with the County Superintendent or his/her designee regarding any inquiries as per EC Section 47604.3.
- e) Insurance and Risk Management: PCS shall procure from an insurance carrier licensed to do business in the State of California or a qualified JPA (joint powers authority) registered with the California Department of Industrial Relations, and keep in full force during the term of the renewed Charter and will provide annually a copy of the certificate of coverage, at least the following insurance coverage concerning PCS:
- i. Property Insurance – covering damage, destruction or loss personal property owned by PCS or located at premises occupied by PCS, providing for replacement value and the loss of use of such property, which will include all assets listed in the applicable property inventory and consumables.
 - ii. General Liability – At least \$1,000,000 per occurrence and \$2,000,000 aggregate, in addition no less than \$15,000,000 in total general liability insurance or excess as deemed appropriate per current insurer (NCR), providing coverage for negligence, errors and omissions/educator’s legal liability, abuse and molestation, and employment practices liability of PCS, its Governing Board, officers, agents, employees, or students of PCS. The deductible per occurrence for said insurance shall not exceed \$20,000 for any and all losses resulting from negligence, errors and omissions of PCS, its Governing Board, officers, agents, employees, or students of PCS. The County Board and the County Superintendent and his office shall be named as also insured on this policy. If for any reason any of the above insurance becomes inoperative, the Charter School shall provide a written explanation within two (2) calendar days. The Charter School shall have ten (10) working days to provide the Santa Cruz COE with proof of insurance.
 - iii. Workers’ Compensation – In accordance with the provisions of the California Labor Code, insurance adequate to protect PCS from claims under Workers’ Compensation Acts which may arise from its operation of PCS, with statutory limits.
 - iv. Automobile Insurance – to the extent necessary and in amounts appropriate for the type and use of any automobile.

PCS shall hold harmless, defend, and indemnify the County Board, Santa Cruz COE, its officers, agents and employees, from every liability, claim, or demand which may be made by reason of (1) any injury to volunteers; and (2) any injury to person or property sustained by any person, firm, or corporation caused by any intentional or negligent act or omission of PCS, its officers, employees or agents. In cases of such liabilities, claims, or demands, PCS, at its own expense and risk, shall with legal counsel satisfactory to Santa Cruz COE defend and indemnify the County Board,

Santa Cruz COE, its officers and employees, with their full cooperation, and shall satisfy any resulting judgments up to the required amounts that may be rendered against any of them. This indemnity and hold harmless provision shall exclude actions brought by third persons against the Santa Cruz COE or County Board arising out of the negligence or intentional acts, errors, or omissions of the Santa Cruz COE or the County Board, its directors, employees, officers and agents.

Santa Cruz COE and the County Board shall hold harmless, defend, and indemnify PCS, its officers, agents and employees, from every liability, claim, or demand which may be made by reason of (1) any injury to volunteers; and (2) any injury to person or property sustained by any person, firm, or corporation caused by any intentional or negligent act or omission of the Santa Cruz COE or the County Board, its officers, employees or agents. In cases of such liabilities, claims, or demands, the Santa Cruz COE and/or County Board, at its own expense and risk, shall with legal counsel satisfactory to PCS, defend and indemnify PCS, its officers and employees, with their full cooperation, and shall satisfy any resulting judgments up to the required amounts that may be rendered against any of them. This indemnity and hold harmless provision shall exclude actions brought by third persons against PCS arising out of the negligence or intentional acts, errors, or omissions of PCS, its directors, employees, officers and agents.

1.5 Human Resources Management

PCS is deemed the exclusive employer of the employees of PCS for the purposes of the Educational Employee Relations Act (EERA) under *Government Code* Section 3540, et. Seq. PCS will have sole responsibility for employment, management, dismissal, and discipline of its employees.

- a) Employee Handbook: Prior to the effective date of renewal, and at all times it is operational, PCS will have posted on the Internet (<http://www.pacificcollegiate.com/>) (and will update the posting as quickly as possible whenever the information changes), a copy of the employee handbook that will be distributed to employees at PCS each year. At a minimum, the handbook shall include detailed expectations for employee performance and behavior, due process rights of employees related to disciplinary actions (including termination), compensation and benefit information, and a description of both informal and formal complaint procedures that employees may pursue in the event of disagreements. PCS may provide the Santa Cruz COE with an electronic copy of the document in lieu of posting it on the Internet.
- b) Employee Contracts: Prior to the effective date of renewal, PCS will provide the Santa Cruz COE sample employee contract(s) that, at a minimum, state that PCS is the exclusive employer of employees and has sole responsibility for employment, management, dismissal, and discipline of its employees. PCS will provide Santa Cruz COE with updated versions of the sample employee contract(s) when any changes are made to them during the Term of the Charter.
- c) Teacher Credentials and Highly Qualified Teacher Requirements: By August 1 of each year, PCS shall provide the Santa Cruz COE proof that all PCS teachers hold a Commission on Teacher Credentialing certificate, permit, or other document

equivalent to that which teachers in other public schools are required to hold under law and the approved Charter Petition, except as otherwise exempted by the Charter Schools Act. The certification will also cover the compliance with the federal No Child Left Behind (NCLB) highly qualified teacher requirements. PCS will have documentation on file (for inspection upon request) of its teachers' credentials and that the teachers of any NCLB core subject meet the highly qualified teacher requirements. PCS will report annually on the status of EL Certification of certificated staff.

- d) STRS & PERS Reporting Requirements: PCS shall accept and assume sole financial responsibility for all STRS and PERS reporting fines and penalties resulting from incomplete, inaccurate, or late reports and/or inadequate or late deposits from any cause whatsoever, except the sole negligence of the Santa Cruz COE. Such responsibility shall include but not be limited to any and all reporting fines and/or penalties. PCS shall be fully responsible for all issues related to eligibility in the applicable retirement systems and designation of positions as eligible for STRS or PERS. PCS shall also be responsible for notifying their employees of election options under the retirement laws.

1.6 Facilities

It is understood and agreed that the County Board and/or the Santa Cruz COE have no obligation to provide facilities to PCS. If PCS seeks facilities from a district in which it intends to locate under Proposition 39, it shall follow applicable statute and regulations regarding submission of such a request to a district. PCS shall provide a copy of each Proposition 39 request to Santa Cruz COE at the time of submitting its request to any school district.

- a) In August of each year, PCS shall provide a report to the Santa Cruz COE on all of its current or revised facility lease agreements.
- b) Zoning and Occupancy: PCS shall provide Santa Cruz COE a certification that the Charter School's facility is located in an area that is properly zoned for operation of a school and that has been cleared for student occupancy by all appropriate local authorities. All facilities must meet all applicable health and fire code requirements and zoning laws in accordance with Education Code Section 47610. PCS will furnish the Santa Cruz COE, upon request, with all local approvals (EC Section 47610(d)) including applicable fire marshal clearances, certificates of occupancy, signed building permit inspections and approved zoning variances. It is the intent of PCS to be exempt from the Field Act.

SECTION 2: EDUCATIONAL PERFORMANCE

2.1 Educational Program

By August 1st of each year and at all times it is operational, PCS will have the following information posted on the Internet (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Scope and sequence for all subjects to be offered by PCS.

- b) The complete educational program for students to be served including, but not limited to: (1) a description of the curriculum and identification of the basic instructional materials to be used, (2) plans for professional development of instructional personnel to deliver the curriculum and use the instructional materials, (3) identification of specific assessments that will be used in addition to the results of the California Assessment of Student Performance and Progress (CAASPP) program in evaluation of student progress, and (4) course offerings for middle and high school.
- c) Annual calendar for the PCS school year that includes the number of instructional days (must provide a minimum of 175 days or as otherwise required by law), annual instructional minutes offered, and the number of professional development days.
- d) Daily bell schedule for site based programs.

2.2 Student Achievement Plan

- a) PCS will not be required to submit a Student Achievement Plan for PCS if it meets its API growth targets and AYP, both school wide and by significant subgroups, each year.
- b) If PCS fails to meet API and AYP targets or the any revised state or national accountability system school-wide or by numerically significant subgroups for two consecutive school years, PCS shall be required to submit a Student Achievement Plan to Santa Cruz COE according to the following dates:
 - October 1 - draft Student Achievement Plan
 - December 1 - final Student Achievement Plan
- c) If PCS is seeking renewal and it has not met API and AYP revised state or national accountability system targets in the prior two school years, PCS shall submit a draft Student Achievement Plan for the future concurrent with the charter renewal request.
- d) PCS shall implement its final Student Achievement Plan that sets forth its specific goals, how progress towards and achievement of each goal will be measured, and plans for addressing areas identified as needing improvement. The Student Achievement Plan shall build upon the assessment measures, educational goals, and student outcomes described in the charter petition, but shall not provide for less stringent assessment measures, educational goals, and student outcomes than those described in the charter petition. If the final Student Achievement Plan is less stringent than the Charter, this will be considered a material amendment to the Charter and shall be subject to Santa Cruz COE review and approval.

2.3 Evaluation of Educational Programs

- a) Annual Report of Activities: By November 30 of each year, PCS shall post on the Internet (<http://www.pacificcollegiate.com/>) and submit a report for PCS to the Santa Cruz COE for the prior year that examines the following ("Annual Report"):

- i. CAASPP results both in aggregate and disaggregated by numerically significant subgroups.
- ii. CAHSEE results both in aggregate and disaggregated by subgroups.
- iii. Progress made toward meeting API and AYP or revised state or national accountability system targets.
- iv. Progress made toward each of the educational goals and student outcomes identified in the renewed Charter.
- v. Results and analysis of any additional internal assessments used by PCS.
- vi. The fulfillment of the school's purposes and goals, including plans to address areas, if any, that PCS has identified as needing improvement by PCS.
- vii. Implementation of and progress on the Diversity Plan. Specific information will be provided regarding comparison of PCS enrollment to the Santa Cruz City School Secondary District in accordance with Education Code Section 47605 (b)(G).
- viii. Update on enrollment and academic progress of First to College students.
- ix. Culture and climate of the school including attendance patterns, parent satisfaction surveys, and community participation.
- x. Evidence that PCS is financially sound.

If PCS has been required to submit a Student Achievement Plan, it must also address the following elements in the Annual Report:

- i. Progress made in areas identified where progress falls short of meeting outcomes identified in the Student Achievement Plan.
 - ii. Professional development provided to further progress on goals described in the Student Achievement Plan.
 - iii. Progress made on the implementation of changes to curriculum and instructional strategies identified in the Student Achievement Plan.
 - iv. Evidence that the Charter School is systemically examining student data and using it to drive decisions regarding curriculum and instruction.
- b) Annual Plan Regarding support for students including ELs and other Special Needs Students: A continuing plan for the support of students requiring academic assistance to meet school curriculum and assessment requirements, including English Learners and those with identified special education needs, as well as for students continuing to be unsuccessful even with additional support, shall also be submitted to the Santa Cruz COE in written form on or before October 30 of each year. The plan shall be reassessed, at a minimum, on an annual basis to

measure the effectiveness of the program to meet established goals and PCS shall make revisions as required. The plan shall also include the numbers of Special Education students who applied for admission, the number admitted, and the number exiting the school for the current and previous year.

The Annual Report (in conjunction with the Student Achievement Plan, if applicable) shall be used as a central area of focus for site visits. PCS will provide specific evidence that the results, as shown in the Annual Report, are targeting improvement in student achievement and that PCS is financially sound.

- c) Local Control and Accountability Plan: Pursuant to Education Code Sections 47605, 47605.5, and 47606.5, PCS must describe goals and specific actions to achieve those goals for all pupils and each subgroup of pupils identified in Education Code section 52052, including pupils with disabilities, for each of the state priorities as applicable and any locally identified priorities. The inclusion and description of goals for state priorities in the LCAP may be modified to meet the grade levels served and the nature of the programs provided, including modifications to reflect only the statutory requirements explicitly applicable to charter schools in the Education Code.

2.4 Updates to Santa Cruz County Board of Education

At the request of Santa Cruz COE, PCS shall present updates and or reports to the Santa Cruz County Board of Education during the year.

2.5 Services for Students with Disabilities

- a) It is recognized that PCS is a member of the North County SELPA, that PCS shall be categorized as a local education agency (LEA) for the purpose of providing special education services to students of PCS. As set forth in Education Code sections 47640, 47641 and 47644, PCS, serving as an LEA, shall be responsible for complying with all provisions of 20 U.S.C., Chapter 33 and its implementing regulations as they relate to LEAs. PCS shall provide a copy of the Local Plan and approval of PCS as an LEA member of the SELPA if requested.

PCS shall assume all responsibility, including but not limited to full financial responsibility, for the implementation and continuing operation of all items identified in this Section, specifically any and all costs associated with the provision of special education and related services and accommodations under Section 504 of the Rehabilitation Act, for all students who are enrolled in PCS, over and above any state or federal funding received for such purposes.

- b) Special Education Staffing: PCS shall provide its own properly credentialed and fully qualified coordinator for special education and shall be responsible for referrals, identification, assessments, IEP and Section 504 team meetings, implementation of Section 504 Plans and IEPs including non-public school placements, complaints, mediations, and due process hearings. PCS may contract with any other school district for other services on behalf of PCS, provided that such are available and are at no cost to the County Board and/or Santa Cruz COE. Written agreements shall be authored to specify such services

and costs. It is further recognized that PCS may contract with a SELPA, employ its own staff and/or contract with other vendors to deliver services required by the IEPs and/or Section 504 Plans of students enrolled in PCS and as otherwise required by applicable state and federal laws.

To the extent that the delivery of Section 504 and/or special education services and adherence to Section 504 and special education laws have costs in excess of revenue allocated to PCS for such purposes, PCS shall be responsible for any and all such costs related to students of PCS.

- c) Requests for Information: PCS agrees to fully and promptly comply with any reasonable requests for information made by the Santa Cruz COE with regard to special education services and individual students. The Santa Cruz COE may establish regular meetings with the Charter School's coordinator for purposes of reviewing special education and/or Section 504 compliance. The Santa Cruz COE may also take action to monitor PCS to ensure that special education and/or Section 504 services are being provided as required by law and applicable SELPA policy.
- d) Certification Requirements: PCS agrees to defend with legal counsel satisfactory to Santa Cruz COE, approval of which will not be unreasonably withheld and to hold harmless the County Board, the County Superintendent, the Santa Cruz County Office of Education, and each of their officers, directors, agents and employees, from and against any and all costs, including attorney's fees, and/or awards related to complaints, due process hearings, mediations or any and all forms of litigation relating to special education and/or Section 504 matters for PCS students. PCS shall provide the Santa Cruz COE with annual written certification that PCS has complied with its Section 504 and special education obligations as part of the Charter School's Annual Update Report. PCS acknowledges that its failure to provide all Section 504 and/or special education services required in student Section 504 Plans and IEPs may constitute a material violation of the conditions, standards and procedures set forth in the renewed Charter, this MOU, as well as violation of applicable law sufficient to support the County Board's revocation of PCS's Charter pursuant to Education Code Section 47607.

2.6 Independent Study

To the extent that PCS provides instruction through independent study to any PCS students, it will meet all requirements of law applicable to independent study, including but not limited to the use of individual student contracts describing the evaluation of student work for time value. The offer and availability of such service shall be in compliance with the approved Charter petition.

SECTION 3: FISCAL OPERATIONS

3.1 Funding

PCS will be direct funded in accordance with EC Section 47630 et seq. the Charter School's general purpose entitlement will be calculated in accordance with applicable provisions of The Act including EC Section 47633 et seq. The parties recognize the authority of PCS to pursue additional sources of funding.

- a) The parties agree that the Charter School's funding per ADA shall not exceed enrollment capacity. The parties agree that the maximum enrollment capacity of current Charter School facilities shall be 604 (current estimated site capacity).
- b) The parties specifically agree that it is not the responsibility of the Santa Cruz COE (except as a distributing agent) to provide funding in lieu of property taxes to PCS.
- c) PCS shall establish a fiscal plan for repayment of any loans received by PCS for the Charter School in advance of receipt of such loans. It is agreed that all loans sought by PCS for the Charter School shall be authorized in writing in advance by PCS and shall be the sole responsibility of PCS. In no event shall the County Board and/or the Santa Cruz COE have any obligation for repayment of such loans. PCS shall provide advance written notice to the County Board and the Santa Cruz COE specifying its intent to apply for a loan for Charter School. PCS shall also provide advance written notice of deposit of any sums which are loans for the Charter School and the plan for repayment.
- d) In general, the Santa Cruz COE shall not advance any funds to PCS, except as a distributing agent and not from its own account. In addition, the Santa Cruz COE shall not act or provide a line of credit to PCS.

3.2 Fiscal Agent

- a) The parties agree that neither the Santa Cruz COE nor the County Board shall act as fiscal agent for PCS. It is agreed that PCS shall be solely responsible for all fiscal services for the Charter School such as payroll, purchasing, attendance reporting, and completion and submission of state budget forms, but may contract with the Santa Cruz COE for such services to PCS by way of mutual agreement.
- b) To the extent that PCS wishes to contract with the Santa Cruz COE for any services to PCS beyond those specified in this agreement, if any, a prior separate written contract with the Santa Cruz COE shall be required and the costs of such services paid in full by PCS.

3.3 Student Attendance Accounting and Reporting

- a) PCS shall use commercially available attendance accounting software (such as Power School, SASI, etc.) for student attendance accounting at PCS. PCS shall

submit enrollment and attendance data as required to receive apportionment of funding according to the following schedule:

- i. First Principal Apportionment (attendance for all full school months between July 1 and December 31) due one week prior to the January date indicated by CDE.
 - ii. Second Principal Apportionment (attendance for all full school months between July 1 and April 15) due one week prior to the May date indicated by CDE.
 - iii. Annual Apportionment (attendance for school year) due one week prior to the July date indicated by CDE.
- b) In addition to submission of the electronic data files, PCS shall make available for review to Santa Cruz COE upon request all back up attendance documents that support the reported average daily attendance (ADA). Santa Cruz COE staff will review and certify the accuracy of PCS attendance data submitted by PCS only when all documentation has been submitted and is accurate. Attendance data submitted without the requisite detail will not be processed and may result in a delay of funding to PCS. PCS is responsible to assure that all reports are accurate and timely in order to receive regular and timely apportionment payments. Santa Cruz COE shall process and transfer to PCS all payments received by the Santa Cruz COE for PCS in a timely fashion.
- c) Weekly site-based attendance sheets, signed and dated by teachers, and evidence of contact made with parents when students are absent from School (e.g. parent contact log, absence log. etc.) shall be maintained by PCS, and will be provided to and reviewed by Santa Cruz COE during site visitations.

3.4 Financial Reporting

- a) PCS is required by EC Section 47604.33 to submit periodic financial reports of revenues, expenditures, and reserves. In order to meet statutory timelines for financial reporting, PCS shall submit such reports to Santa Cruz COE for review, using the state software (SACS 20__ALL) or the Charter School Alternative Reporting form, according to the following schedule:
- i. Preliminary budget due one week prior to the July 1 deadline indicated by CDE. (Note: Santa Cruz COE may request a revised budget to address any concerns identified during the review of the preliminary budget.)
 - ii. Unaudited Actuals Report for the prior fiscal year due one week prior to the September 15 deadline indicated by CDE.
 - iii. First Interim Report (expenditures through 10/31) due one week prior to the December 15 deadline indicated by CDE.
 - iv. Second Interim Report (expenditures through 1/31) due one week prior to the March 15 deadline indicated by CDE.

- b) Any significant changes in the budget or interim reports from one reporting period to the next must be explained in writing. The following back up information shall be consistently provided for each reporting period:
- i. Multi-Year Projection (MYP) for current and two subsequent years.
 - ii. Assumptions used for two subsequent years.
 - iii. A written summary of any significant changes in the budget or interim reports, by category, from one reporting period to the next period.
 - iv. Enrollment projections/growth in average daily attendance (ADA) by grade level and the impact of the growth on liabilities, facilities, etc.
 - v. Cost of Living Allowance (COLA), if applicable, and deficit percentage, if any.
 - vi. Calculation used for determining general purpose funding.
 - vii. Number of Full Time Equivalent (FTE) for certificated and classified employees for each year including an organizational chart identifying all charter school positions and respective salary information for each position.
 - viii. Supplemental financial report showing the Charter School's budget to date and financial transactions and reconciliations, i.e. Statement of Activities (Income & Expenditure Account) and Statement of Financial Position (Balance Sheet).
 - ix. Statement of cash flow for the current and subsequent fiscal year.
 - x. The parties agree that maintenance of a sufficient level of funding reserve is in the best interest of PCS and its successful operation. Accordingly, PCS shall maintain reserves of no less than three percent (3%) for PCS based upon the total expenditures and other uses of the Charter School's Adopted Budget for the fiscal year.
- c) An explanation of any projected drop in reserves below the three percent level must be included in the assumptions.
- d) The Santa Cruz COE may request additional information, as necessary, to evaluate the fiscal condition of PCS.

3.5 Annual Audit

PCS shall submit an annual independent financial audit in accordance with EC Section 47605(m), to the State Controller's Office, the Santa Cruz COE, and the California Department of Education no later than December 15 of each year. In order for PCS to receive a favorable recommendation for renewal, corrective action plans shall have been implemented in a timely manner to the satisfaction of the Santa Cruz COE for any findings or exceptions identified in each annual audit, such that there are no continuing

prior year findings or deficiencies identified in the following year. The audit shall be conducted by an auditor from the list approved by the State Controller's Office.

In addition to the Charter School's financial statements, the audit shall include, as applicable, but not be limited to contemporaneous records of attendance and annual instructional minutes as required by the law for the audit of charter schools.

3.6 Monitoring and Oversight

The County Board, by agreement with the Santa Cruz County Superintendent, designates the Santa Cruz County Superintendent and staff as the third party oversight agency to provide oversight and monitoring of PCS Public Charter School on behalf of the County Board.

- a) PCS shall be charged an annual oversight fee by Santa Cruz COE for the cost of oversight, monitoring, and reporting concerning PCS in accordance with EC Section 47613. The fee shall be 1% of the LCFF entitlement received by PCS, in accordance with EC Section 47613(f) (CBG Revenue). The parties agree the calculation shall be shared upon request. The oversight fees shall be used to offset consultant and administrative costs required for comprehensive oversight, which includes but is not limited to the following categories:
 - i. Curriculum and instruction
 - ii. Assessment and accountability
 - iii. School fiscal review
 - iv. Governance and management operations review
 - v. Site visitations
 - vi. Renewal evaluations
 - vii. Attendance accounting certification
 - viii. Communication & research & issue resolutions relative to PCS
- b) The oversight fees shall be invoiced quarterly by Santa Cruz COE, with payment due and payable within 30 days of receipt. The actual amount of the oversight fees shall be reconciled as soon as reasonably possible upon the determination of the actual amount of the CBG Revenue.

3.7 State Teachers Retirement System (STRS)/Public Employees Retirement System (PERS) Reporting

If PCS offers employees of PCS the opportunity to participate in STRS or PERS, PCS shall be responsible for contracting with Santa Cruz COE for reporting purposes and for payment of costs to Santa Cruz COE that are associated with such reporting. Current cost of processing estimated at \$200 per employee active in one of the retirement programs.

SECTION 4: FULFILLING CHARTER TERMS

4.1 Material Amendments to Charter

Changes to the renewed Charter deemed to be material amendments may not be made without prior approval from the County Board per EC 47607. Amendments to the renewed Charter considered to be material changes include, but are not limited to, the following:

- a) Substantial changes to the educational program (including the addition or deletion of an educational program), mission, or vision of the Charter School.
- b) Adding a classroom-based program/facility.
- c) Proposed changes in enrollment that increase or decrease the enrollment originally projected in the charter petition by more than 25 percent in any given year unless provided for in the Facility Use Agreement.
- d) Addition or deletion of grades or grade levels to be served.
- e) Changes to location of facilities, including school sites, resource centers, meeting space, or other satellite facility including the opening of a new facility. Temporary locations rented for annual student testing purposes shall be exempt from this provision.
- f) Substantial changes to admission requirements and procedures.
- g) Significant changes to the governance structure or bylaws, including but not limited to: the dissolution of the corporation holding the charter.

4.2 State Assessments

PCS shall comply with and adhere to the state requirements for participation and administration of all state mandated tests for charter schools, and shall include but not be limited to:

- a) California Assessment of Performance and Progress (CAASSPP)
- b) California Standards Tests in Science (CST)
- c) California Modified Assessment (CMA)

- d) Standards-based Tests in Spanish (STS)
- e) California Alternative Performance Assessment (CAPA)
- f) California High School Exit Examination (CAHSEE)
- g) California Physical Fitness Test (PFT)
- h) California English Language Development Test (CELDT)

4.3 Site Visits

The Santa Cruz COE will conduct at least one visit to PCS annually in accordance with the Act. The information gathered will be used to assess the Charter School's progress in governance and organizational management, educational performance, fiscal operations and fulfillment of the terms of the renewed Charter and this MOU. A school site visit may include review of the facility, review of records maintained by PCS, interviews with the Principal of PCS, employees working at PCS including the site principal, and PCS students/parents, as well as observation of instruction in the classroom(s). Any deficiencies will be reviewed with the Charter School's Principal and an opportunity provided for comment, explanation and/or correction. The evaluations for each year will be used, in addition to other information and reports, to determine a renewal decision. The Santa Cruz COE reserves the right to make unannounced visits to PCS.

4.4 Renewals

- a) PCS may seek renewal of the Charter School's Charter prior to expiration of the term of the renewed Charter in accordance with statutory provisions. PCS shall submit its renewal petition for the next charter term along with a copy of the most recent Annual Report and Student Achievement Plan (if applicable) to Santa Cruz COE, no sooner than October 15 of the fiscal year in which PCS would cease operations without renewal.
- b) Santa Cruz COE shall review the charter petition, academic and financial performance, audit reports, annual visitation reports, and may conduct a renewal site visit prior to scheduling the renewal request for consideration by the County Board. To the extent required, the charter renewal petition shall be revised in accordance with current statutes and regulations.
- c) PCS may seek earlier renewal of the Charter School's Charter if it meets all of the following conditions:
 - i. Has been in existence for at least four years, or has completed four years of a subsequent term of renewal;
 - ii. Has similar schools API rankings of 8 or above in all three years;
 - iii. Has met AYP criteria school wide and by significant subgroups in all four years;

- iv. Has submitted accurate and timely budgets, interim fiscal reports, and student attendance data to Santa Cruz COE;
- v. Independent financial audits for all four years have been free of audit exceptions and/or deficiencies (minor findings corrected in the year of the audit through a corrective action plan are allowable under this provision);
- vi. Has received no health and safety code violations from local authorities;
- vii. Has demonstrated that a majority of parents, students, and staff are satisfied with performance of PCS;
- viii. Has met the requirements for any then pending correction action set by Santa Cruz COE in a written correspondence (4.5 a), if any; and
- ix. Has met applicable additional requirements for such renewal, if any, in the law.

4.5 Notice to Cure and Revocation

- a) The County Board shall have the right to revoke the renewed Charter in accordance with EC Section 47607 or other statute or regulations expressly applicable to the revocation of a charter thereunder. The progression of notification of corrective action involving violation(s) of EC Section 47607 is as follows:
 - Direct contact with PCS specifying the concerns with PCS, followed by written Correspondence #1.
 - Written Correspondence #2 – restatement of concerns if there has been little or no response by PCS to Correspondence #1, and a request for a response from PCS informing the Santa Cruz COE about steps PCS is taking to address the concerns noted in Correspondence #1; the Santa Cruz COE may conduct a site visit.
 - Written Correspondence #3 (Notice of Concern) – restatement of concerns and direction to PCS to take corrective action by a specified reasonable date.
 - Written Correspondence #4 (Notice to Cure or Face Revocation) – letter identifying history of failure to correct or address the concerns and directing PCS to take specific enumerated actions or submit documentation by a specified date. Failure to do so will result in the institution of revocation proceedings in accordance with EC Section 47607 and applicable regulations, if any.
 - Revocation – schedule an agenda item for the County Board to hold a public hearing and consider revocation of the Charter in accordance with EC Section 47607 and applicable regulations, if any.
- b) The exception to the above process is under circumstances where the County Board determines in writing that there is a severe and imminent threat to the health or safety of students and/or staff of PCS per EC 47607(d). The

County Board will be apprised in writing of the situation by Santa Cruz COE and immediate action may be taken by the County Board to assure the safety and well being of the students, staff, and community. Such immediate action as deemed appropriate by the County Board in its reasonable discretion, may include but is not limited to, closure of PCS and/or revocation of its Charter in accordance with EC Section 47607(d) and/or €. Should PCS cease to be operated by a non-profit public benefit corporation, the parties agree that such conditions may constitute cause for revocation of the Petition.

- c) During the period prior to revocation, PCS shall have the opportunity to work collaboratively with the Santa Cruz COE or its designee to address the concerns and develop a plan to remediate all areas to the reasonable satisfaction of the Santa Cruz COE. During this period PCS shall attempt to resolve the concerns and complete remediation. This provision may also require a Charter Amendment to be discussed.

4.6 Closure Procedures

- a) PCS shall provide Santa Cruz COE updates as are reasonably necessary from time to time to the description of the procedures to be used in the event PCS closes as described in the renewed Charter. The categories that must be addressed in such procedures are each of the following:
 - i. Identification of a responsible person(s) –This provision shall include a process to ensure that it is updated no less than annually or when any change is made.
 - ii. Notification of students and families of school closure.
 - iii. Security of student and business records.
 - iv. Processing of final employee payroll and benefits.
 - v. Identification of all assets and liabilities and plan for transfer as detailed in the renewed Charter.
 - vi. Final PCS close-out audit to be paid for by PCS.
 - vii. Identification of a source of funding to be used for closeout expenses including the final audit.
 - viii. If applicable, dissolution of the nonprofit corporation for PCS.
- b) If PCS is to close permanently for any reason (i.e., voluntary surrender, non-renewal, or revocation), the Santa Cruz COE on behalf of the County Board shall serve written notice on PCS that the closure procedures have been invoked. PCS will immediately identify to the Santa Cruz COE the specific individual who is responsible for coordinating the close-out activities for PCS. Santa Cruz COE will identify a staff person PCS can report to regarding the close-out activities concerning PCS. PCS expressly acknowledges the right of the Santa Cruz COE, on

behalf of the County Superintendent of Schools (pursuant to EC Section 47604.4), to gain full access and copies of all student and business records concerning PCS at any time after the County Board gives written notice that it is invoking the closure procedures.

SECTION 5: MEDIATION

In the event that a dispute between PCS and the Santa Cruz COE and/or the County Board relating to the renewed Charter or this MOU which does not involve revocation and is not resolved through the procedures contained in the renewed Charter's "Dispute Resolution" section within 90 calendar days of the date notice is given by the complaining party to the other parties, prior to commencing legal action or arbitration, the parties shall undertake a process of non-binding mediation, according to the following timeline:

- A. No later than ten calendar days from and after the request for mediation unless agreed otherwise by the parties in writing, the parties shall choose a mutually acceptable mediator from a list obtained from the State Mediation and Conciliation Service.
- B. Within ten calendar days after the mediator is selected, the parties shall choose a mutually agreeable date and site for the mediation.
- C. The costs of the mediator shall be borne 50-50 by the County Board and PCS.

SECTION 6: SEVERABILITY

If any provision or any part of this MOU is for any reason held to be invalid and or unenforceable or contrary to public policy, or statute, the remainder of this MOU shall not be affected thereby and shall remain valid and fully enforceable.

SECTION 7: NON-ASSIGNMENT

No portion of this MOU or the renewed Charter petition approved by the County Board may be assigned to another entity without the prior written approval of the Santa Cruz COE and PCS.

SECTION 8: WAIVER

A waiver of any provision or term of this MOU must be in writing and signed by all parties. Any such waiver shall not constitute a waiver of any other provision of this MOU. All parties agree that no party to this MOU waives any of the rights, responsibilities, and privileges established by the Charter Schools Act of 1992 as may be amended from time to time.

SECTION 9: PUPIL TRANSPORTATION

PCS shall be responsible for any and all transportation offered by PCS to students who enroll in PCS, including but not limited to any and all transportation required in any student IEP.

SECTION 10: NOTIFICATION

All notices, requests, and other communications under this MOU shall be in writing and mailed to the proper addresses as follows:

To the County Board at:

Santa Cruz County Board of Education
400 Encinal Street
Santa Cruz CA, 95060
Attn: _____, Bruce Van Allen, Board President

To the Santa Cruz COE at:

Charter Schools Office
Santa Cruz County Office of Education
400 Encinal Street
Santa Cruz, CA 95060
Attn: _____, Michael Watkins, Superintendent

To Charter School at:

Pacific Collegiate School
~~255 Swift Street~~3004 Mission Street
Santa Cruz, CA 95060
Attn: _____, Tom Morell, Board President
or
~~3004 Mission Street~~
~~Santa Cruz, CA 95060~~

This document contains the entire Memorandum of Understanding of the parties with respect to the matters covered hereby, and supersedes any oral or written understandings, agreements or MOUs between the parties with respect to the subject matter of this MOU (with the exception of the Charter). No person or party is authorized to make any representations or warranties except as set forth herein, and no MOU, statement, representation or promise by any party hereto which is not contained herein shall be valid or binding. The undersigned acknowledges that she/he has not relied upon any warranties, representations, statements or promises by any of the parties herein or any of their agents or consultants except as may be expressly set forth in this MOU. The parties further recognize that this MOU shall only be modified in writing by the mutual agreement of the parties indicating intent to modify this MOU.

Date

President or Designee, Charter School

Date

President, Santa Cruz County Board of Education

Date

County Superintendent or Designee, SCCOE

Attachment A: Additional Services

In accordance with Section 3.2 of the Memorandum of Understanding, PCS may opt to contract with SCCOE for specified services, at a mutually agreed-upon method of compensation to SCCOE.

A. Fee Determination

PCS agrees to reimburse the SCCOE for all costs associated with providing required services under this Memorandum of Understanding. The SCCOE shall notify PCS of the expected fees for the next fiscal year on or before June 1. The SCCOE may opt to charge PCS a fixed percentage of the estimated PCS gross revenues from public sources, or on a time and materials basis.

In the case that the SCCOE sets a percentage reimbursement fee schedule, the fee shall be paid on a quarterly basis, with adjustments due to reconciling to actual revenues from public sources no later than September 30 following the close of the most recent fiscal year.

In the case that the SCCOE requires PCS to pay for services on a time and material basis, the SCCOE shall provide PCS with a fee schedule in advance of the fiscal year, and submit monthly billings to PCS. All billings shall be paid within thirty (30) days. Any disputes in billing will be resolved via the Dispute Resolution Process as prescribed in the charter.

B. Optional Services Provided

Annual Minimal Requirements. Minimal Service Requirements shall include but not be limited to the following, except as otherwise agreed to by the SCCOE during the term of this agreement.

~~a.~~ Payroll Services

~~Payroll Processing/Retirement Reporting (PERS/STRS/Social Security)~~

~~Wage Garnishments~~

~~TSA Processing~~

~~Deferred Compensation~~

~~Payroll Tax Report Preparation of W-2's~~

~~b.a.~~ Accounting and Financial Monitoring Services

~~Review Annual Budget~~

~~Review Annual Audit~~

~~Review year-to-date Budget/expenses with Treasurer (monthly)~~

~~Apportion funds to PCS accounts~~

~~Provide Accounts Payable Services~~

~~c.b.~~ General Services

~~Assist PCS in procuring insurance (liability, property), etc. as needed.~~

Consult with legal counsel on an as-needed and available basis to provide guidelines to PCS in matters related to the operations of the school, except in such cases that doing so would put the SCCOE and/or the County Board of Education in conflict with other required duties.

Assist PCS in issues relative to facility needs.

Permit Staff of PCS to attend SCCOE workshops/meetings on the same basis as staff from any other school and/or district in the county.

Make available SCCOE staff person to be direct point of contact to assist PCS in coordinating requests for services to be provided by the SCCOE.

Assist PCS in preparation of required reports.

c. Optional Services

Payroll Services

Wage Garnishments

TSA Processing Deferral

Compensation

Payroll Tax Reporting

Preparation and Issuance of W2s

Accounts Payable Services

PCS agrees to not terminate such services during the fiscal year. PCS may agree to terminate any optional service agreements with the SCCOE by giving notice prior to May 1 that the optional services provided will not be requested for the next fiscal year.

~~Discontinuing-Reinstating~~ payroll services (outside of STRS and PERS reporting) would require a separate negotiation with the SCCOE due to the ~~STRS and PERS reporting requirements and~~ additional costs associated with those processes.

Attachment B: SELPA CHARTER POLICY

CHAPTER 15

CHARTER SCHOOLS

Rationale: This policy applies to all Charter Schools that are chartered by educational entities located within the North Santa Cruz County SELPA. Additionally, this policy applies to any charter school petition granted by the State Board of Education (SBE) in which oversight responsibilities have been assigned to a district within the SELPA [Education Code 47605 (k) (1)].

Policy Statement: Students enrolled in charter schools are entitled to special education services in a manner similar to those enrolled in public school in the district, charter schools within the SELPA shall comply with all requirements of applicable state and federal law regarding provision of special education services (Education Code §56000 et seq., Individuals with Disabilities Education Act 20 U.S.C. Chapter 33). A charter school shall not discriminate against any pupil in its admission criteria, including on the basis of disability. The charter school's participation in the SELPA will be determined by whether it operates as a school of its chartering district or an LEA member of a SELPA. If the charter school is operating as an LEA member of the SELPA, the charter school shall be treated as all other SELPA-member LEAs by the administrative unit, SELPA Governing Board and the SELPA Administrator.

Charter schools that are categorized as dependent and not deemed a LEA for special education purposes are aligned with the chartering district. They will participate in the federal/state funding in the same manner as the other schools within the chartering district. The chartering district shall be responsible for ensuring that all children with disabilities enrolled in the charter school receive special education services in the same manner that is consistent with all applicable provisions of state and federal law.

A charter school may apply to become a LEA for special education purposes. The Special Education Coordinating Agency Governing Council shall determine whether the charter school has provided requisite assurances. Once approved as a LEA, the charter school shall participate in the governance of the SELPA in the same manner as other school districts within the SELPA.

Charter Petition and Review by SELPA:

Prior to approval or renewal of a petitioning charter, the superintendent or designee of the chartering entity shall consult with the SELPA Administrator regarding the sufficiency of items related to the provision of special education services contained within the petition. The petition shall provide that no student otherwise eligible to enroll in the charter school will be denied enrollment due to a disability or to the charter school's inability to provide necessary services, regardless of the availability of services the student needs within the charter school's regular education program. Each charter

petition must contain a reasonably comprehensive description of the charter school's education program, as it related to the provision of special education services, including the following:

1. All eligible students enrolled in the charter school will receive appropriate special education services in accordance with applicable state and federal laws and regulations, as well as the local plan;
2. The district where the student resides, if different than the chartering entity, is not responsible for providing special education services to students that are enrolled in the charter school;
3. No student otherwise eligible to enroll in the charter school will be denied enrollment due to a disability or to the charter school's inability to provide necessary services;
4. Staff members providing special education services are appropriately credentialed;
5. The facility used by the charter school does not present physical barriers that would limit an eligible student's full participation in the educational and extracurricular program; and
6. Disenrollment, suspension, and expulsion policies and procedures shall ensure that the protections of federal and state law are afforded to special education students.
7. Dispute resolution procedures that will apply to any disputes between educational entities, including the SELPA, regarding the provision of special education services in the charter school.

Each charter petition must contain a reasonably comprehensive description of the charter school's educational program. This description should include information about the specialized instruction and services available at the charter school and the procedures for ensuring that students are referred, assessed, and served in a timely manner. The petition or a memorandum of understanding (MOU) must also identify the entity that will be responsible for providing special education instruction and related services, reference any anticipated transfer of special education funds between the granting entity and the charter school for the purposes of providing special education and related services, and include provisions for sharing deficits in funding.

Categories of Charter Schools

For the purpose of provision of special education services, charter schools shall be deemed either a public school within the chartering LEA or an LEA that receives funds and provides services independent of the chartering entity. All approved charter schools will be deemed a public school within the chartering entity until the charter school has been deemed an LEA following this policy, the local plan and approval by the SELPA

Governing Board. The categorization as a separate LEA will become effective on the first day of the fiscal year (July 1), following final approval by the SELPA Governance Board.

Public School within a School District or County Office

Charter schools that are deemed to be public schools within the chartering entity will participate in state and federal funding in the same manner as other schools or programs within the chartering entity. The chartering entity may not grant a charter on the condition that the charter school must become an LEA. The chartering entity will determine the equitable share of funding and/or services to be distributed to the charter school, as well as policies and procedures necessary to ensure that the protections of special education law extend to students in the charter school in the same manner as students enrolled in other schools or programs administered by the chartering entity. The chartering entity will:

1. Receive all applicable special education funds as specified in the SELPA's AB 602 Funding Allocation Plan and ensure that the allocated funding is distributed to the charter to provide or procure special education and related services and/or used by the LEA to provide or procure special education and related services to the charter
2. Represent the needs of the charter school in the SELPA governance structure;
3. Be jointly responsible for ensuring that all eligible students enrolled in the charter school are appropriately referred, assessed and served consistent with all applicable provisions of state and federal law, in a timely manner, and in the same manner as a student with disabilities who attends another public school of that LEA, no matter where the child may live; and
4. Ensure that the charter contributes an equitable share of its charter school block grant funding to support LEA-wide excess costs for special education instruction and services, including, but not limited to, special education instruction and services for student with disabilities who are enrolled in the charter school.

The chartering entity and charter school may enter into agreements or Memo of Understanding (MOU) whereby the charter school contributes a fair share of its funds towards the costs of district wide special education services, programs, and administration which its chartering district funds out of its general funds.

Charter School as an LEA within the SELPA

A charter school that includes in its petition for establishment or renewal, or that otherwise provides verifiable written assurances that the charter school will participate as an LEA for the purposes of providing special education, may apply to become a member of the North Santa Cruz County SELPA or another SELPA. A request from a

school to participate in the North Santa Cruz County SELPA will be treated in the same manner as such a request from a school district. The charter petition or other written assurances should state that prior to final approval of a request to be deemed an LEA, the charter school will be deemed a public school within the chartering entity. Charter schools that wish to become member LEAs in the North Santa Cruz County SELPA must submit their application on or before February 1 of the school year prior to implementation (i.e., one year and one day) of the school year preceding the school year in which the charter school anticipates operating as a member LEA within the SELPA. The SELPA Administrator and Special Education Council will review the application and develop an action recommendation for the SELPA Governance Board. The SELPA Governance Council will take action to approve or disapprove the charter school as a member LEA.

The SELPA Governance Council decision will be based on whether the charter school has met all requirements to be included as a member LEA of the SELPA. These requirements include:

1. Will meet all applicable requirements of state and federal laws and regulations, including compliance with the Individuals with Disabilities Education Act (IDEA, 20 USC 1400 et seq.), Section 504 of Public Law 93-112, 20 USC 8065 (a) and the provisions of the California Education Code, Part 30;
2. Will ensure that all individuals with exceptional needs (ages birth to 22) shall have access to appropriate special education programs and services;
3. Will assure that no child eligible for special education and related services seeking to enroll in the charter school will be denied nor discouraged from enrollment due to disability or due to the charter school's concern about its ability to provide appropriate services;
4. Will assure that the charter school will fully inform parents of students with disabilities seeking enrollment in the charter school of their rights and educational options available;
5. Will deliver special education and related services to any eligible child enrolled in the charter;
6. Will expend all state and federal special education funds for the sole purpose of providing special education instruction and/or services to eligible students with disabilities;
7. Will assure the charters obligation to "search and serve," pay the costs of special education whether or not those costs are adequately covered from the charter's SELPA allocation, and that it has adequate reserves to cover those costs;
8. Will assure the charter will adhere to all policies, procedures, obligations and requirements of the SELPA Local Plan for Special Education, including the Funding Allocation Model;
9. Will utilize SELPA-approved forms and documents including use of internet based IEPs, and will follow all SELPA agreements, policies, and procedures;

10. Will ensure that students will be instructed in a safe environment with no physical barriers that would prevent full participation in educational and extracurricular activities;
11. Will provide the SELPA with a copy of the charter school's original petition, as approved by the chartering entity and any subsequently approved amendments to the charter;
12. Will follow all federal and state laws regarding discipline and assume funding responsibility for change of placement/alternative settings due to disciplinary issues;
13. Will provide SELPA will copy of charter's current operating budget in order to assure fiscal responsibility in accordance with Ed Code 42130 and 42131;
14. Understands its legal and financial responsibilities to provide appropriate special education services to eligible students. Financial responsibilities may include, but are not limited to, instruction, related services, transportation, non-public school/agency placements, inter/intra SELPA placements, due process hearing proceedings and attorney fees; and
15. Will not seek defense or indemnification from the SELPA or SELPA members unless liability is the result of acts or omissions of other agencies, their agents or employees, while performing services under an agreement.

If approved, LEA status will become effective on July 1 of the next school year. Prior to final approval and full acceptance as a member LEA, the charter school will continue to be deemed a public school of the chartering district. Once approved, the LEA charter school will choose a representative to the Governance Board, a representative to the Special Education Council, and the ad hoc AB 602 Finance Committee. The representative to the Governance Board must be the chief executive officer pursuant to the Governance Board bylaws. The representative to the Special Education Council and AB 602 Finance Committee must be an authorized agent designated by the governing board of the charter school.

If disapproved of LEA status, the SELPA administrator will provide the applicant with a written finding that delineates the reason(s) for disapproval.

Once deemed a member LEA, the charter school, like other member LEAs shall:

1. Fully participate in governance of the SELPA in the manner outlined in the local plan and shall choose a representative to the SELPA Governance Council and to the SELPA Special Education Council;
2. Accept all responsibilities of an LEA in the implementation of the local plan;
3. Fully comply with policies and procedures outlined in the local plan and procedural handbooks;
4. Contribute to, participate in, and receive the benefits of regionalized services;

5. Receive state and federal funding for special education in accordance with the SELPA AB 602 Funding Allocation Plan;

6. Be responsible for all costs incurred in the provision of special education and related services, including but not limited to instruction, services, transportation, nonpublic school/agency placements, inter/intra SELPA placements, due process proceedings, complaints and attorney fees, without regard for the location in which the student may reside;

7. Document that all state and federal special education funds apportioned to the charter school are used for the sole purpose of providing special education instruction and/or related services to identified students with disabilities; and

8. Return any special education apportionment not used solely for the purpose of providing special education instruction and/or related services to identified students with disabilities, if recaptured by the SELPA for reallocation to other LEAs.

9. Annually collect data and submit to the SELPA by June 30 of each year, the total number of students who submitted an application and were accepted into the charter school in the previous school year (i.e., submit June 30, 2013 for the 2012-2013 school year):

a. the number of general education and special education student (students with either Individualized Education Plan (IEP) or Section 504 Plan) who applied for admission to the charter school; and

b. the number of general education and special education students who were admitted to the charter school during the previous school year.

Following approval by the Governance Board, the SELPA local plan must be amended, the governing boards of all participating LEAs must approve the amendment, and the amended local plan must be submitted to CDE for final approval. If the approval of a charter school as an LEA requires a change in the SELPA AB 602 Funding Allocation Plan, such change shall be adopted pursuant to the policy-making process outlined in the local plan.

The terms of this policy are severable. In the event that any of the provisions are determined to be unenforceable or invalid for any reason, the remainder of the policy shall remain in effect, unless mutually agreed otherwise by the members of the SELPA Governing Board after review by the Special Education Council. The SELPA Governing Board members agree to meet to discuss and resolve any issues or differences relating to invalidated provisions in a timely and proactive fashion.

Attachment C: North Santa Cruz County Special Education Local Plan Assurances

- Provide assurances that all eligible individuals with disabilities (ages birth to 22) shall have access to appropriate special education programs and services.
- Provide assurances of an understanding and knowledge of applicable special education laws and regulations.
- Provide assurances that each certificated employee is appropriately credentialed to serve in his/her assignment.
- Provide necessary staff required to meet state and federal mandates.
- Follow all requirements of the SELPA Local Plan.
- Utilize SELPA forms.
- Provide all required CASEMIS and other SELPA required information/data including Maintenance of Effort (MOE) data required by the Federal Government.
- Provide transportation as indicated in students' IEPs.
- Provide assurances that the charter school has the sole legal and financial responsibility to provide appropriate services to eligible students and will provide search and serve to identify students who may qualify for and require special education and related services.
- Provide assurance that the charter will participate in the governance of the SELPA in the same manner as all other LEAs in the SELPA, including participation in voting on issues before the governing body.
- Provide assurance that the charter will contribute to, participate in and receive the reimbursement from all SELPA fiscal pools and participate in any charge backs in the same manner as other members. Receive state and federal funding for special education in accordance with the SELPA Special Education Funding Allocation Plan.
- Provide assurance that the charter will comply with all requirements of No Child Left Behind.

- Provide assurance that the charter will be responsible for all costs incurred in the provision of special education services to students enrolled in the charter school. These costs may include, but are not limited to, instruction, related services, transportation, nonpublic school/agency placements, inter/intra SELPA placements, due process proceedings, complaints and attorney fees.

- Provide assurance that the charter will document that all state and federal special education funds apportioned to the charter school are used for the sole purpose of providing special education instruction and/or related services for students with eligible disabilities.

**Attachment D:
Timeline**

August 1	<ul style="list-style-type: none"> • Annual calendar of regular board Meetings • Annual calendar of emergency drills • Verification that all teachers hold a CTC certificate, permit or equivalent documentation • Verification that all teachers hold required EL certification • Calendar of instructional days • New Board of Director members & confirmation of Brown Act and Conflict of Interest training • Report on any new or revised lease agreements 	Send via email
September 15	<ul style="list-style-type: none"> • Unaudited Actual Budget 	Electronic
October 2 CBEDS	<ul style="list-style-type: none"> • Provide electronic documentation of enrollment, including student names 	Electronic
October 30	<ul style="list-style-type: none"> • Submit Annual Plan of Support for EL and other Special Needs Students 	Email
November 30	<ul style="list-style-type: none"> • Submit Annual Report including an update on the Diversity Plan 	Written Report Board Presentation
December 15	<ul style="list-style-type: none"> • First Interim Budget 	Electronic
February 1	<ul style="list-style-type: none"> • Deadline for proposed MOU revisions by either party • Post SARC on website 	Email
March 15	<ul style="list-style-type: none"> • Second Interim Budget 	Electronic
July 1	<ul style="list-style-type: none"> • Submit Local Control Accountability Plan • Preliminary Annual Budget 	Electronic Submission



**STAFF REPORT AND PROPOSED FINDINGS OF FACT
OF THE INTEGRATIVE LEADERSHIP ACADEMY
CHARTER SCHOOL PETITION**

October 12, 2018

Prepared by Charter School Review Team

- Michael Watkins, County Superintendent of Schools
- Dr. Faris Sabbah, Deputy Superintendent
- Mary Hart, Deputy Superintendent, Chief Business Officer
- Jivan Dhaliwal, Associate Superintendent
- Jean Gardner, Senior Director, Fiscal Services
- Kris Stanga, Senior Director, District Support and Leadership
- Jessica Little, Senior Director, North County SELPA
- Troy Cope, Senior Director, Human Resources
- Sofia Sorensen, Multilingual Achievement Coordinator
- Dr. Cristine Chopra, Executive Director, S4C
- Kevin Drinkard, Mathematics Coordinator

EXECUTIVE SUMMARY

On August 21, 2018, the Santa Cruz County Board of Education (“County Board”) received a charter petition (“Petition”) from Integrative Leadership Academy (“Petitioners”), appealing the July 26, 2018 denial of the Petition by the San Lorenzo Valley Unified School District (“District”).

Consistent with required elements and legal criteria, a team of Santa Cruz County Office of Education (SCCOE) staff members representing all operational specialties and assisted by legal counsel (collectively, the “Review Team”) conducted an in-depth review of the Petition and supporting documents. Recognizing that Education Code (EC) 47605(b) provides that in reviewing petitions for the establishment of charter schools, the chartering authority shall be guided by the intent of the Legislature, the Review Team worked to ensure its review was robust, unbiased, and accurate.

Based on the review of the Petition, completed by the Review Team and legal counsel, deficiencies exist that support a recommendation that the Petition be denied by the County Board.

BACKGROUND

On August 21, 2018, the Santa Cruz County Board of Education received a charter petition to establish Integrative Leadership Academy (“Petition”) submitted by lead petitioner, Nicky Ramos-Beban, Ph.D. appealing the denial of the Petition by the San Lorenzo Valley Unified School District on July 26, 2018. The County Board also received a memorandum regarding “Executive Summary and Analysis of Integrative Leadership Academy Charter Petition” adopted by the District’s Board of Trustees in its denial of the Petition.

Pursuant to Education Code section 47605, subdivision (j), if the governing board of a school district denies a charter petition, the petitioner may submit the petition to a county board of education. If a county board of education does not grant or deny the petition within 60 days of receipt, the petitioners may submit the petition to the State Board of Education (“SBE”). If a county board grants the charter, it becomes the chartering authority and oversight agency for the charter school. (Ed. Code, §§ 47604.32, 47604.33.) If the county board denies the petition, then petitioners may appeal to the State Board of Education. (Ed. Code, § 47605, subd. (j)(1).)

On September 20, 2018, the County Board held a public hearing concerning the Petition as required by Education Code section 47605. In order to comply with the required timeline, the County Board of Education will make a decision at its meeting on October 18, 2018.

REVIEW PROCESS

Education Code (EC) section 47605, subdivision (j) provides that the Board shall review a charter petition submitted after denial by a school district under the criteria in subdivision (b)—the same criteria that govern a school district's initial review of the petition. The County Board is to receive a complete copy of the petition as denied. (Cal. Code Regs., tit. 5, § 11967, subd. (b)(1).) The County Board is also to receive a copy of the District Board's findings on the petition, setting forth the board's grounds for denial under EC 47605(b). The County Board is not limited to a review based solely on the reasons for denial stated by the district, but must review the petition pursuant to the criteria in EC 47605(b). Essentially, this means that the County Board is to take account of the District Board's action and findings, but the County Board is also to conduct a new, independent review of the petition under the same legal criteria in EC 47605(b).

As broad guidance, EC 47605(b) provides that in reviewing petitions for the establishment of charter schools, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged. EC section 47605(h) further charges that in reviewing petitions for the establishment of charter schools within the school district, the governing board of the school district shall give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low achieving pursuant to the standards established by the department under EC section 54032.

The County Board shall deny a petition for establishment of a charter school only if the County Board makes written factual findings, specific to the particular petition, setting forth facts to support one or more of five grounds for denial in EC 47605, subdivisions (b)(1)-(6). The six grounds for denial are:

1. The charter school presents an unsound educational program for the pupils to be enrolled in the charter school;
2. The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition;
3. The petition does not contain the number of signatures required;
4. The petition does not contain an affirmation of each of the conditions described in EC 47605(d); or
5. The petition does not contain reasonably comprehensive descriptions of all of the following fifteen required elements:
 - A. A description of the educational program of the school, designed, among other things, to identify those pupils 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 educational program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.

- B. The measurable pupil outcomes identified for use by the charter school.
 - C. The method by which pupil progress in meeting those pupil outcomes is to be measured.
 - D. The governance structure of the school, including, but not limited to, the process to be followed by the school to ensure parental involvement.
 - E. The qualifications to be met by individuals to be employed by the school.
 - F. The procedures that the school will follow to ensure the health and safety of pupils and staff.
 - G. 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.
 - H. Admissions requirements, if applicable.
 - I. The manner in which annual, independent, financial audits shall be conducted, in accordance with regulations established by the State Board of Education, and the manner in which audit exceptions and deficiencies shall be resolved.
 - J. The procedures by which pupils can be suspended or expelled.
 - K. 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.
 - L. The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.
 - M. 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.
 - N. The procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to provisions of the charter.
 - O. A description of the procedures to be used if the charter school closes. The procedures shall ensure a final audit of the school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.
6. The petition does not contain a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code.

The County Board's review is based on three sources of information: statute, state regulations and staff analysis. First, EC 47605 provides the required elements of a petition; second, state regulations provide greater specificity on each of the requirements; and third, the staff team reviews and analyzes the required elements for formation of a new charter school and provides the County Board with its report and findings (Cal. Code Regs., tit. 5, § 11967.5 et seq.) These regulations were developed for the State Board of Education's review of petitions. They offer helpful guidance to county boards and school districts, as well as the state board, on essential

information for each of the criteria in EC 47605(b), including the findings for denial and the fifteen elements.

Consistent with required elements and legal criteria, a team of SCCOE staff members representing all operational specialties and assisted by legal counsel (collectively, the "Review Team") conducted an in-depth review of the Petition and supporting documents. The Review Team spoke with the Petitioners on September 7, 2018, to ask clarifying questions and to offer Petitioners an opportunity to provide input for the Team's consideration. Following this process, the Review Team compiled this Staff Report and Proposed Findings of Fact regarding the Integrative Leadership Academy Charter Petition ("Staff Report").

The Review Team identified deficiencies in areas under Education Code Section 47605(b). Following this introduction is a summary of the findings of fact that form the basis for the Review Team's recommendation for denial.

Finally, the Review Team notes that the Legislature has expressed a preference for charter schools to be chartered by their local school districts. (See Ed. Code, § 47605(b).) In this case, the District, at a preliminary hearing before the County Board, expressed a willingness to continue working with Petitioners to modify their program and address other deficiencies so that the Petition complies with the Charter Schools Act. This outcome would best comport with the Legislature's intent.

FINDINGS

The Review Team identified several deficiencies in the Petition through an analysis of the educational program, student outcomes and progress measurements, fiscal and governance structures, student admissions and discipline, proposed facilities and operations, and labor and personnel issues. Based on the analysis the Review Team determined the Petition is legally deficient in the following areas:

- The Petition presents an unsound educational program;
- The Petitioners are demonstrably unlikely to successfully implement the program set forth in the Petition;
- The Petition does not contain reasonably comprehensive descriptions of the fifteen required elements set forth in Section 47605(b).
 - The California Code of Regulations sets out a helpful definition of "reasonably comprehensive" in this context, which includes information that:
 - Is substantive and does not, for example, list topics with little elaboration;

- Is specific to the charter petition being proposed—not to charter petitions generally;
- For elements that have multiple aspects, addresses essentially all aspects and not just selected ones. (Cal. Code Regs., tit. 5, § 11967.5.1, subd. (g).)

The following findings establish the basis for the Review Team’s recommendation.

- 1) The charter school presents an **unsound educational program** for the pupils to be enrolled in the charter school. (Ed. Code, § 47605, subd. (b)(1).)
 - a) The Petition proposes to serve all students, including special education students. However, the Petition lacks crucial details on how the needs of special education students will be addressed. As set forth in the Regulations, the Petition should set out a reasonably comprehensive description of its plan for serving special education students that assures the chartering authority that the Charter School understands its legal obligations to serve special education pupils. Specifically, the plan should include, but not be limited to, “the means by which the charter school will comply with the provisions of Education Code section 47641, the process to be used to identify students who qualify for special education programs and services, how the school will provide or access special education programs and services, the school’s understanding of its responsibilities under the law for special education pupils, and how the school intends to meet those responsibilities.” (Cal. Code Regs., tit. 5, § 11967.5.1, subd. (f)(1)(G).)
 - i) The Petition’s minimal plan for the provision of special education does not adequately describe a number of essential elements of special education law, including, but not limited to: child find, referrals, and assessments. For example, the Petition fails to describe statutory assessment procedures and timelines for students with disabilities. The Petition also lacks a sample assessment plan and provides a limited description of the referral documentation.
 - ii) Discussion of other components of special education law necessary to ensure Petitioners understand their legal obligations is missing entirely, including, but not limited to: the statutory timeline for convening IEP team meetings, the elements of a legally-compliant IEP, and how and where extended school year services will be provided.
 - iii) Petitioners do not indicate what qualifications they will require for their special education staff. Specifically, it is not clear whether they will hire a special education specialist (“SES”) with a “Mild/Moderate” or a “Moderate/Severe” credential, or whether the SES will meet the “Highly Qualified” standards pursuant to the No Child Left Behind Act and California teacher certification standards.
 - iv) The Petition fails to sufficiently describe the specific programs, services, or supports that the Charter School intends to provide for children with disabilities, including those with speech and language impairments, autism, cognitive impairments, physical impairments, and other health impairments.

v) Petitioners do not detail how they will assume full responsibility for appropriate accommodations to address the needs of any student. They also fail to describe the process for notifying the district of residence and authorizing LEA when a special education student enrolls, becomes eligible, ineligible and/or leaves the charter school. Further, the Petition does not acknowledge the responsibility of the charter school to provide special education instruction and related services to the students enrolled in the school regardless of their district of residence.

2) The Petitioners **are demonstrably unlikely** to successfully implement the program set forth in the Petition. (Ed. Code, § 47605, subd. (b)(2).)

a) The Review Team conducted a thorough study of the financial documents and documents related to facilities included in the petition. There were some concerns, most ostensibly the reliance on soft money or donations to fund the program. Donations make up 41.9% of the first year budget. The reliance on donations and grants does decrease by \$25,000.00 each subsequent year, however in year five 15.7% of the budget is still soft-funded. Without these “grants and donations” the charter would be insolvent, and this concern was a very significant one for the District. The Petition includes a letter of commitment to funding this level of donations at a minimum through the multiple year projections, but this commitment was based on a pledge.

Subsequent to submitting the Petition to the County Office, Petitioners presented evidence of an escrow fund that has been established in the amount of \$2.1 million. The Charter School can access these funds if the Petition is approved by either the County Board or the State Board of Education; if approval is not received, the funds will be returned to the donor. While these funds may therefore be available to the Charter School upon approval of the Petition, this method of funding does raise questions about the long-term sustainability of the Charter School. It is also noteworthy that the escrow account had not been established at the time the District was considering the Petition, and that the lack of reliable funding was apparently a factor in the District’s decision to deny the Petition.

b) The identified facility contains rooms that are 450 sq. ft. The Petitioner intends for these the rooms to accommodate 20-24 students. Normal requirements for traditional schools require classrooms 960 sq. ft. According to the California Department of Education Guide to School Site Analysis and Development:

A classroom of less than 960 square feet may not provide sufficient space for pullout programs, small-group work, or computer stations. Adequate area must be provided for furniture and technology, audiovisual equipment, student work areas, and storage. Additionally, classrooms must be large enough to allow movement and circulation, exiting, and access by students with disabilities.

The Petitioners indicate they have funds to upgrade the facilities. However, the year one budget does not include adequate resource allocation for all the renovations that need to take place at the school. This would include roof and seismic upgrades, and

additional modifications to achieve compliance with the Americans with Disabilities Act (ADA).

- c) The Petition raises serious concerns that the Charter School will not be able to “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.” (Ed. Code, § 47605, subd. (b)(5)(G).) The Petition presents a recruitment strategy that includes “posting fliers and hosting tables at various locations,” “[a]nnouncing enrollment and recruiting information via the school’s website,” and “[h]osting parent information nights and community events.” (Petition, Element G, p. 1.) However, Petitioners do not describe any specific outreach, venues, or events sponsored by the Charter School, or community resources the Charter School has at its disposal that may be used to recruit a student body that reflects the District’s population. Nor does the Petition present a process for monitoring and correcting ethnic and racial imbalances in the Charter School in subsequent years. Without any such process, Petitioners are unlikely to facilitate or maintain racial or ethnic balance.
- 3) The Petition **does not contain** reasonably comprehensive descriptions of the fifteen required elements set forth in Section 47605(b). (Educ. Code § 47605 (b)(5).)
- a) Element 1: Educational Program
 - i) Generally, the description of the Charter School’s educational program should, at a minimum, include the instructional approach that the Charter School will use including, but not limited to, the curriculum and teaching methods, or a process for developing curriculum and teaching methods that will enable students to master the State’s content standards and achieve the Charter School’s stated objectives. However, the Petition does not sufficiently define Science, Technology, Engineering, Art and Mathematics (STEAM)—one of its fundamental instructional models. Further, the Petition does not identify a standards-aligned curriculum for all core subject areas; nor does it describe a process by which the curriculum, instruction, and assessments will be aligned. Due to these ambiguities, there is a concern that the implementation of the curricular content will not provide the opportunity for all middle school students to access grade level standards.
 - ii) The Project Based Learning units provided as examples in the petition do not illustrate how they will be implemented within the bell schedule provided. There are no core classes in which the integrated STEAM curriculum can be learned by students. Also, the Project Based Learning unit examples do not show evidence for differentiation or universal access for student groups.
 - iii) The professional development plan for staff is not realistic given the schedule, the number of days allocated to professional development, and the scope of expertise that must be obtained to successfully implement the program. The Petitioners indicate that over a two week period in the summer staff will engage in the professional development necessary to open a new school with new staff and

designing all curriculum. This challenging schedule would include three days of Project Based Learning training, three days to map year-long curriculum, six days for STEAM unit planning and three days for advisory period content training. The Charter School's teachers would be required to learn and master several complex educational methodologies in a short period of time, which would be very difficult to achieve.

- iv) The Petition does not include a detailed plan for serving the Charter School's low-achieving or at-risk students. The Petition provides that students performing below grade level will receive interventions during the school day and may be offered after-school tutoring. However, the bell schedule does not include any after-school tutoring and does not explain whether this tutoring will be provided by certificated staff, instructional aides, or peer tutors. The Petition does not discuss any qualifications or training that will be provided to uncredentialed tutors or explain how students receiving such tutoring can receive the same level of support necessary to meet their specialized needs as they would receive from a credentialed teacher or trained aide in a classroom setting.
- v) The Petition does not enumerate annual goals for ethnic subgroups, socioeconomically disadvantaged pupils, English learners, pupils with disabilities, foster youth, or homeless youth. Nor does the Petition set out specific mechanisms for reaching these goals.
- vi) The Petition does not enumerate annual goals for a number of state priorities, including:
 - (1) Maintaining the school facilities in "good repair," such that the facilities are clean, safe, and functional as determined pursuant to a school facility inspection and evaluation instrument developed by the Office of Public School Construction and approved by the board or a local evaluation instrument that meets the same criteria;
 - (2) Implementing academic programs and services to enable English learners to access the common core content standards and the English language development standards established by the Education Code;
 - (3) Pupil achievement;
 - (4) The percentage of English learners who make progress toward English proficiency as measured by the English Language Proficiency Assessments for California (ELPAC);
 - (5) English learner reclassification rates;
 - (6) Pupil suspension and expulsion rates;
 - (7) The extent to which all pupils have access to, and are enrolled in, the following subjects: English, mathematics, social sciences, science, visual and performing

arts, health, physical education, foreign languages, applied arts, and career technical education.

Nor does the petition set out specific mechanisms for achieving these goals.

b) Element 2: Measurable Student Outcomes

- i) Although the Charter Petition addresses some of the selection criteria, it lacks meaningful detail and requires important additional information in order to be reasonably comprehensive. For example, overly general language referring to the CA School Dashboard and confusing language (e.g., *“65% of 6th-7th grade students, including all student subgroups, unduplicated students, and students with exceptional needs will score at the green/blue performance levels on the state indicators”*) seems inconsistent with the state’s accountability and continuous improvement (Dashboard) system. In addition, the Petition lacks a description or affirmation that benchmark classroom skills will be taught and delivered. The sample rubrics included in the Petition lack detail on content criteria. There is no exit outcome listed for ELD progress and no provision for interim assessment of ELD progress.
- ii) The Petition does not include measurable student outcomes pertaining to the aforementioned state priorities. These outcomes should specify skills, knowledge, and attitudes that reflect the school’s educational objectives.

c) Element 3: Student Progress Measurement

- i) The Petition lacks meaningful detail and requires important additional information in order to be reasonably comprehensive. This lack of detail raises concerns about the Petitioner’s ability to implement or meet the requirements in practice. It relies heavily on assessment of projects in Project Based Learning units without clear, specific rubrics benchmarking the expected skills, knowledge and understandings, especially from the content areas, to be demonstrated by completion of the project. For example, there is no specific mention of assessing writing progress in the assessment plan. In addition, there is no plan for interim measurement of ELD progress. The Petition also fails to acknowledge the need to provide alternative assessments such as the California Alternative Assessments.

d) Element 4: Governance Structure

The Petition lacks details on the selection process of Board members.

RECOMMENDATION OF DENIAL OF THE PETITION

Based on the foregoing, staff makes the following recommendations:

1. That the Petition be denied for reasons including but not limited to, failure of the Petitioners to present a sound educational program.
2. That the Petition be denied because it is demonstrably unlikely that the Petitioners will successfully implement the program set forth in the Petition.
3. That the Petition be denied because it does not contain reasonably comprehensive descriptions of certain required elements set forth in Education Code section 47605(b)(5).

In order to deny the Petition on the grounds set forth above, Education Code section 47605(b), requires the Governing Board to make “written factual findings, specific to the particular petition, setting forth specific facts to support one or more” grounds for denying the Petition. Staff recommends the Board adopts these final findings of fact as its own, should the Board decide to deny the Petition.

RESOLUTION #18-18

**CONDITIONALLY APPROVE THE CHARTER PETITION
OF INTEGRATIVE LEARNING ACADEMY**

WHEREAS, on or about May 30, 2018 petitioners (“Petitioners”) for the Integrative Learning Academy Charter School (“Charter School”) submitted a charter petition (“Petition”) to the San Lorenzo Valley Unified School District (“District”); and

WHEREAS, on July 26, 2018, the District’s Board of Trustees voted to deny the Petition; and

WHEREAS, on August 21, 2018, pursuant to Education Code section 47605, subdivision (j), Petitioners submitted the Petition to the Santa Cruz County Office of Education (“County Office”) on appeal, seeking approval of the Charter School’s charter for a five year term commencing on July 1, 2018 and ending June 30, 2023; and

WHEREAS, the Santa Cruz County Board of Education (“County Board”) held a public hearing on September 20, 2018, as required by Education Code section 47605, for the purpose of considering the level of support for the Petition by parents, teachers and other employees of the districts within the jurisdiction of the County Office; and

WHEREAS, the Santa Cruz County Superintendent of Schools and his charter school review team, along with legal counsel, have reviewed and analyzed the Petition, including all supporting documentation submitted by Petitioners to the County Office following submittal of the Petition, for legal, programmatic and fiscal sufficiency, and have submitted a Staff Report and Proposed Findings of Fact (“Staff Report”) to the County Board, which Staff Report was made part of the agenda for this meeting and shall be deemed integrated into this resolution as Exhibit A; and

WHEREAS, the Staff Report identifies numerous deficiencies in the Petition, such that the Petition may be denied; and

WHEREAS, notwithstanding the deficiencies set forth in the Staff Report, it is the determination of the County Board that such deficiencies can be addressed with the Charter School through an operational memorandum of understanding (“Operational MOU”) setting forth obligations of the Charter School to address and remedy the identified deficiencies, among other matters, as well as a special education memorandum of understanding (“Special Ed MOU”), to address the provision of special education services to Charter School students and related matters; and

WHEREAS, it is therefore the intent of the Board to approve the Petition conditional on (1) the approval by the County Board and the governing body of the Charter School of an Operational MOU between the County Office and the Charter School within thirty (30) days of the adoption of this resolution, which Operational MOU shall, to the satisfaction of the County Superintendent of Schools, address and propose to remedy the identified deficiencies in the Petition set forth in the Staff Report, and shall address other operational matters as needed; and (2) the approval by the County Board and the governing body of the Charter School of a Special Ed MOU between the County Office and the Charter School within thirty (30) days of the adoption of this resolution, which Special Ed MOU shall, to the satisfaction of the County Superintendent of Schools, address the provision of special education services to Charter School students and related matters;

NOW THEREFORE, BE IT RESOLVED, that the Santa Cruz County Board of Education, having fully considered and evaluated the Petition and supporting documentation hereby approves the Petition of the Charter School, subject to the following conditions:

1. Within thirty (30) days of the adoption of this resolution, the County Board and the governing body of the Charter School shall have duly approved an Operational MOU between the County Office and the Charter School, which Operational MOU shall, to the satisfaction of the County Superintendent of Schools, address and propose to remedy the identified deficiencies in the Petition set forth in the Staff Report, and shall address other operational matters as needed.
2. Within thirty (30) days of the adoption of this resolution, the County Board and the governing body of the Charter School shall have duly approved a Special Ed MOU between the County Office and the Charter School, which Special Ed MOU shall, to the satisfaction of the County Superintendent of Schools, address the provision of special education services to Charter School students and related matters.

BE IT FURTHER RESOLVED that, if the aforementioned conditions are not timely satisfied, and are not modified by further action of the County Board, the County Board shall be deemed to have adopted the findings of fact set forth in the Staff Report incorporated herein as Exhibit A, and to have denied the Petition.

PASSED AND ADOPTED by the Santa Cruz County Board of Education of Santa Cruz County on this 18th day of October 2018 by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Bruce Van Allen, President
Santa Cruz County Board of Education

Michael Watkins, Secretary
Santa Cruz County Superintendent of Schools



BOARD OF EDUCATION
Ms. Jane Royer Barr
Ms. Rose Filicetti
Ms. Sandra Nichols
Ms. Sue Roth
Mr. Dana M. Sales
Mr. Abel Sanchez
Mr. Bruce Van Allen

Michael C. Watkins, Superintendent • 400 Encinal Street, Santa Cruz, CA 95060 • 831-466-5600 • FAX 831-466-5607 • www.santacruzcoe.org

RESOLUTION #18-19

**DENY THE CHARTER PETITION OF
INTEGRATIVE LEARNING ACADEMY**

WHEREAS, on or about May 30, 2018 petitioners (“Petitioners”) for the Integrative Learning Academy Charter School (“Charter School”) submitted a charter petition (“Petition”) to the San Lorenzo Valley Unified School District (“District”); and

WHEREAS, on July 26, 2018, the District’s Board of Trustees voted to deny the Petition; and

WHEREAS, on August 21, 2018, pursuant to Education Code section 47605, subdivision (j), Petitioners submitted the Petition to the Santa Cruz County Office of Education (“County Office”) on appeal, seeking approval of the Charter School’s charter for a five year term commencing on July 1, 2018 and ending June 30, 2023; and

WHEREAS, the Santa Cruz County Board of Education (“County Board”) held a public hearing on September 20, 2018, as required by Education Code section 47605, for the purpose of considering the level of support for the Petition by parents, teachers and other employees of the districts within the jurisdiction of the County Office; and

WHEREAS, the Santa Cruz County Superintendent of Schools and his charter school review team, along with legal counsel, have reviewed and analyzed the Petition, including all supporting documentation submitted by Petitioners to the County Office following submittal of the Petition, for legal, programmatic and fiscal sufficiency, and have submitted a Staff Report and Proposed Findings of Fact (“Staff Report”) to the County Board, which Staff Report was made part of the agenda for this meeting and shall be deemed integrated into this resolution as Exhibit A; and

WHEREAS, the Staff Report identifies numerous deficiencies in the Petition, such that the Petition may be denied.

NOW THEREFORE, BE IT RESOLVED, that the Santa Cruz County Board of Education, having fully considered and evaluated the Petition and supporting documentation hereby adopts the findings of fact set forth in the Staff Report attached hereto as Exhibit A, as the County Board’s own, and on the basis of those findings of fact, the County Board determines that:

1. The Petition presents an unsound educational program for the students to be enrolled in the Charter School (Ed. Code § 47605(b)(1));

2. Petitioners are demonstrably unlikely to successfully implement the program set forth in the Petition (Ed. Code § 47605(b)(2)); and
3. The Petition does not contain reasonably comprehensive descriptions of all of the fifteen required elements set forth in Education Code section 47605, subdivision (b)(5)(A)-(O).

BE IT FURTHER RESOLVED that, based on the findings of fact set forth in Exhibit A, which are incorporated herein by reference, the Petition is hereby denied.

PASSED AND ADOPTED by the Santa Cruz County Board of Education on this 18th day October 2018 by the following vote:

AYES:
NAYS:
ABSTAIN:
ABSENT:

Bruce Van Allen, President
Santa Cruz County Board of Education

Michael Watkins, Secretary
Santa Cruz County Superintendent of Schools

SUPERINTENDENT'S RECOMMENDATION FOR BOARD ACTION

SUBJECT:

Resolution to approve use of Proposition 30 Education Protection Act Funds

DEPARTMENT/PROGRAM:

Business Services/Administration

ACTION REQUESTED:

Approve usage of the funds made available from Proposition 30 for educational expenditures within the County Office of Education budgets

PREVIOUS STAFF/BOARD ACTION:

1st Annual authorization

BACKGROUND INFORMATION AND/OR STATEMENT OF NEED:

Proposition 30 provides local education agencies revenue from the Education Protection Act fund established in 2012-13. The fund does not supply new funding to districts it maintained the level of funding owed to districts. The funds must be used for educational expenses and explicitly cannot be used for administration. The Santa Cruz County Office of Education's Career Advancement Charter will utilize the funds to support the education programs in 2018-19.

FISCAL IMPLICATIONS:

Continue as per the State budget allocation

CONTACT PERSONS(S)

Mary Hart, Deputy Superintendent, Business Services
Rebecca Olker, Director Fiscal Services
Jean Gardner, Senior Director Fiscal Services



BOARD OF EDUCATION

Ms. Jane Royer Barr
Ms. Rose Filicetti
Ms. Sandra Nichols
Ms. **Sue Roth**
Mr. Dana M. Sales
Mr. Abel Sanchez
Mr. Bruce Van Allen

Michael C. Watkins, Superintendent • 400 Encinal Street, Santa Cruz, CA 95060 • 831-466-5600 • FAX 831-466-5607 • www.santacruzcoe.org

RESOLUTION #18-20

EDUCATION PROTECTION ACCOUNT

WHEREAS, the voters approved Proposition 30 on November 6, 2012 and Proposition 55 on November 8, 2016;

WHEREAS, Proposition 30 added Article XIII, Section 36 to the California Constitution effective November 7, 2012; (sunsetting 12/31/2017), and Proposition 55 Article XIII, Section 36 to the California Constitution effective November 8, 2016 (commencing 01/01/2018);

WHEREAS, the provisions of Article XIII, Section 36(e) create in the state General Fund an Education Protection Account to receive and disburse the revenues derived from the incremental increases in taxes imposed by Article XIII, Section 36(f);

WHEREAS, before June 30th of each year, the Department of Finance shall estimate the total amount of additional revenues, less refunds that will be derived from the incremental increases in tax rates made pursuant to Article XIII, Section 36(f) that will be available for transfer into the Education Protection Account during the next fiscal year;

WHEREAS, if the sum determined by the State Controller is positive, the State Controller shall transfer the amount calculated into the Education Protection Account within ten days preceding the end of the fiscal year;

WHEREAS, all monies in the Education Protection Account are hereby continuously appropriated for the support of school districts, county offices of education, charter schools and community college districts;

WHEREAS, monies deposited in the Education Protection Account shall not be used to pay any costs incurred by the Legislature, the Governor or any agency of state government;

WHEREAS, a community college district, county office of education, school district, or charter school shall have the sole authority to determine how the monies received from the Education Protection Account are spent in the school or schools within its jurisdiction;

WHEREAS, the governing board of the district shall make the spending determinations with respect to monies received from the Education Protection Account in open session of a public meeting of the governing board;

WHEREAS, the monies received from the Education Protection Account shall not be used for salaries or benefits for administrators or any other administrative cost;

WHEREAS, each community college district, county office of education, school district and charter school shall annually publish on its Internet website an accounting of how much money was received from the Education Protection Account and how that money was spent;

WHEREAS, the annual independent financial and compliance audit required of community college districts, county offices of education, school districts and charter schools shall ascertain and verify whether the funds provided from the Education Protection Account have been properly disbursed and expended as required by Article XIII, Section 36 of the California Constitution;

WHEREAS, expenses incurred by community college districts, county offices of education, school districts and charter schools to comply with the additional audit requirements of Article XIII, Section 36 may be paid with funding from the Education Protection Act and shall not be considered administrative costs for purposes of Article XIII, Section 36.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. The monies received from the Education Protection Account shall be spent as required by Article XIII, Section 36 and the spending determinations on how the money will be spent shall be made in open session of a public meeting of the governing board of the Santa Cruz County Office of Education’s Career Advancement Charter;

2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of the Santa Cruz County Office of Education’s Career Advancement Charter has determined to spend the monies received from the Education Protection Act as attached.

DATED: October 18, 2018

Board Member



BOARD OF EDUCATION
Ms. Jane Royer Barr
Ms. Rose Filicetti
Ms. Sandra Nichols
Ms. Sue Roth
Mr. Dana M. Sales
Mr. Abel Sanchez
Mr. Bruce Van Allen

Michael C. Watkins, Superintendent • 400 Encinal Street, Santa Cruz, CA 95060 • 831-466-5600 • FAX 831-466-5607 • www.santacruzcoe.org

To: Santa Cruz County Board of Trustees
From: Mary Hart, Deputy Superintendent, Business
Date: October 18, 2018
RE: Change in Financial System

The Santa Cruz County School Districts (SCCSD's) determined the need to review other Financial Systems to replace the existing system known as Digital Schools (DS). The SCCOE and the SCCSD's began reviewing system in June 2018 with the desire to find a replacement and implement by July 1, 2019. After initial presentations and a conversation with the current system's new owner it was determined to go out with an RFP in July 2018. The RFP was distributed and simultaneously the districts reviewed the most prominent systems in the State. These are Escape Technology and QSS. The initial reviews were done with mini demos by the vendors and two site user visits. The site user visits were with North Monterey Unified School District which is a user of Escape Technology and San Benito County Office of Education which is a QSS user. The Demos were done in August 2018.

After the RFP closed, evaluations were done on the three vendors that submitted RFP's:

QSS
Escape Technology
Tyler Munis

All three were invited to present to a broader group of users from the districts. Tyler Munis respectfully declined the offer. The other two vendors presented in the month of September and after discussion a unanimous decision was made to go forward with Escape Technology.

An MOU was developed to bind the Contract between SCCOE and ESCAPE to the Districts in the implementation of the new Financial System which is expected to be implemented for HR/Payroll/Budget and most Finance components by July 1, 2019 and all other components shortly after 7/1/2019. Due to the implementation time before July 1 being only nine months this is the suggested implementation process by the vendor to ensure success. If at all possible the full system will be implemented by July 1, 2019.

The Contract will be a five (5) year contract with renewal for an additional 5 years requiring consent by the SCCOE Staff.

On behalf of the COE and Districts, Michael, Faris and I were able to negotiate the price, over 10 years, down by approximately 12%. Staying with past practice, and to support the districts in the County (some with significant fiscal distress greatly brought on by declining enrollment), Michael and the Cabinet would like to ask that you support the districts with a \$500,000 one-time contribution from the SCCOE for the implementation and offset to the first years cost when districts will need to pay for both systems. This change in the budget will be included with the Budget revisions presented to the board in October.

Moving forward, under the ongoing funding model, each district is required to pay their fair share of the costs annually.

Administrations Recommendation: Accept notice of change to County wide financial system and authorize a \$500.000 contribution to support the initial year implementation cost.



Santa Cruz County Career Advancement Charter



Annual Report
October 18, 2018



Overview



Santa Cruz County Career Advancement Charter (CAC)

- Authorized by the County Board of Education in 2017/18 for 5 years
- Dependent Charter for students ages 17 to 24 and beyond
- Career and Technical Education, Work Based Learning, High School Diploma
- Services in the Community (evenings) and in the Court Facilities (Jails)
- Preparing students for a College and/or Career

Current and New Locations

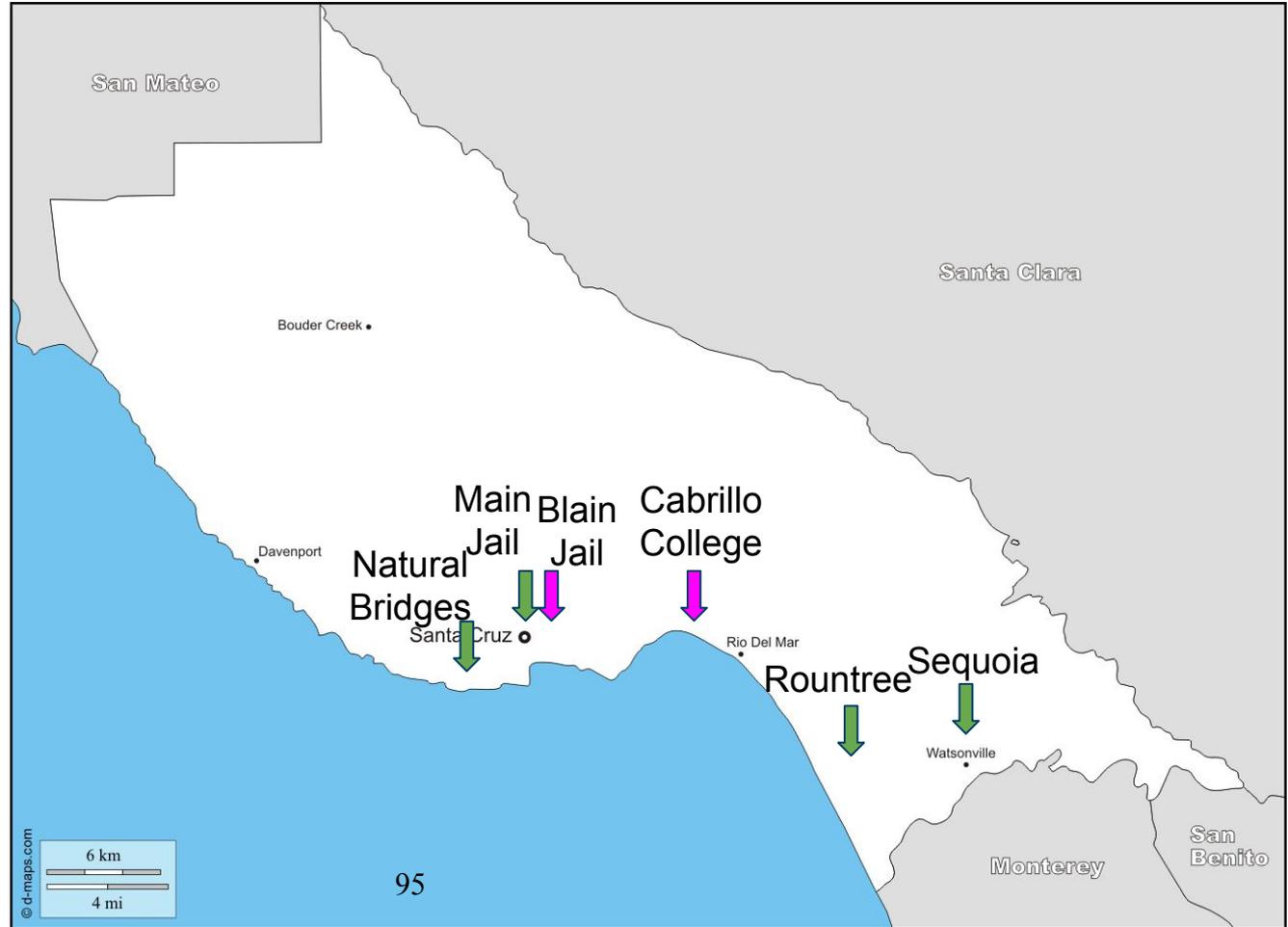
Opening After	Location
August 1, 2017	Rountree Facility, 90 Rountree Ln., Watsonville
August 1, 2017	Main Jail Facility, 259 Water St., Santa Cruz
August 1, 2017	Santa Cruz County Office of Education, 399 & 400 Encinal St.
September 1, 2017	Sequoia School, 229 Green Valley Rd., Freedom
August 1, 2018	Natural Bridges, 255 Swift St., Santa Cruz

+

August 1, 2018	Blain St. Women's Facility , 141 Blaine Street, Santa Cruz
August 1, 2018	Cabrillo College , 6500 Soquel Dr, Aptos



Locations



Progress

Access

- CAC served over 227 students (ADA 63.46) in its first year
 - 90 Sequoia, 72 Rountree, 65 Main Jail
 - Ended 17/18 with a positive Fund Balance of \$280,000

Academics

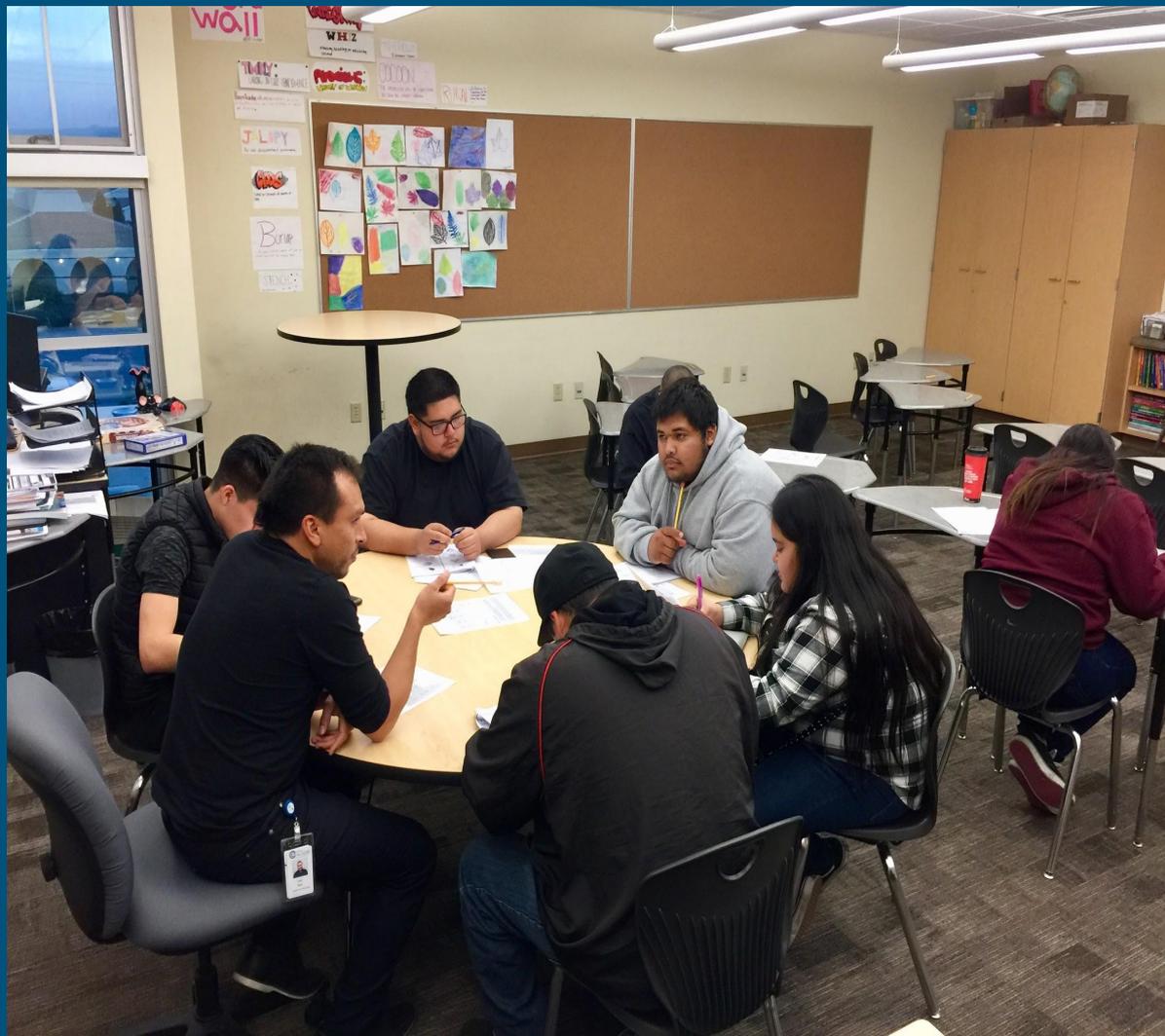
Our greatest and most tangible accomplishment in 2017/18 is that we graduated over 49 students from our 3 sites (Sequoia, Rountree Jail, and Main Jail.)

- Percent of students earning at least 25 credits per year or graduate: 60%
- Graduation (Sequoia): 19
- Graduation (Jail and Roundtree Facility) 30
- Graduates who successfully enrolled in Cabrillo College: 8%

Employment/Career Preparation

- Number of students who attended 4+ hours of CTE instruction per week: 14
- Number of students who completed employment hours while studying: 70%





Access



Access in 18/19

- Sequoia
 - 90 students to be served, HS Diploma services CTE Construction/Culinary arts offered
- Rountree
 - 72 students to be served, HS Diploma services
 - New: 3 CTE Courses in Rountree R&R Facility (Construction, Agriculture, Culinary Arts)
- Main Jail
 - 65 Main Jail students to be served
- Natural Bridges to be open in the Summer 2019
- Cabrillo College: Serve 40 students, High School Diploma Services
- Blain St. offer CTE Culinary Arts and High School Diploma Services, 15 students



Student Voice

Student Voices!

Thank you for all your support