



El Dorado Charter SELPA CEO COUNCIL MEETING

Thursday, May 21, 2020 | 9:30 a.m.

Virtual Meeting Via Zoom - Web Link (copy and paste into browser): <https://bit.ly/2020-May-CEO-Council-Meeting>

Dial-in Option: 1-669-900-6833, Meeting ID: 972-7292-4067

Charter SELPA Administration:

David M. Toston, Associate Superintendent of
SELPA Programs
Giniese Quann, Charter SELPA Director
Bob Steponovich, Director of Business Services
Kathleen Hall, Administrative Assistant

El Dorado Charter SELPA CEO Council Members

A complete list of CEO Council Members is presented in Item Attachment 7.2.1 of this Agenda.

Notice: In compliance with the American with Disabilities Act, for those requiring special assistance to access public meeting rooms or to otherwise participate at a public meeting conducted by the El Dorado County Office of Education, please contact Kathleen Hall at (530)295-2236, khall@edcoe.org at least 48 hours in advance of the meeting you wish to attend so that every reasonable effort to accommodate you, including requests for auxiliary aids or services, can be made. Meeting documents are provided online at <https://charterselpa.org/governance/>. If you require documents being discussed at a public meeting be made accessible, please contact Kathleen Hall at least 48 hours in advance of the meeting.

AGENDA

Time Item # Item
(all times are estimated)

9:20 am **1. Housekeeping/Procedural Announcements**

Announcements:

- A. EXECUTIVE ORDER N-29-20 TELECONFERENCE FLEXIBILITY
This meeting is being held pursuant to the procedures established in Executive Order N-29-20 issued by California Governor Gavin Newsom on March 17, 2020. All council members may attend the meeting by teleconference. This meeting will be a virtual meeting only. The public may observe and address the meeting via Zoom.
- B. PUBLIC ACCESS TO THE Charter SELPA CEO COUNCIL MEETING
The public will have access to the Charter SELPA CEO Council meeting through Zoom Teleconferencing. There are two options for those individuals who wish to make a public comment: 1.) During the meeting, comments can be sent through the Zoom meeting chat feature, or 2.) Prior to, or during the meeting, comments may be sent to khall@edcoe.org. A moderator for the meeting will read your comments for the record.
- C. ANNOUNCEMENT
Should this meeting encounter any security breach or inappropriate issues, the meeting will be ended immediately and rescheduled as soon as practical.

9:30 am **2. Call to Order**



3. **Approval of Agenda**
4. **Public Hearing** (for items not on the Agenda - comments limited to two minutes)
5. **Welcome/Introductions**
 - 5.1 Welcome
 - 5.2 Introductions

CONSENT ITEMS REQUIRING CEO COUNCIL ACTION

6. **Consent Items Requiring CEO Council Action**

Items included on the Consent Agenda are to be approved by one motion unless a CEO Council member requests separate action on a specified item.

 - 6.1 **Approval of Minutes of CEO Council Meeting Held October 16, 2019**

The October 16, 2019 CEO Council Meeting Minutes are presented as Attachment 6.1.
 - 6.2 **Approval of Minutes of Special CEO Council Meeting Held March 9, 2020**

The March 9, 2020 Special CEO Council Meeting Minutes are presented as Attachment 6.2.
 - 6.3 **Approval of Proposed Meeting Schedules**

The following meeting schedules are proposed for the 2020-21 year:

CEO Council Meeting Dates for 2020-21:

October CEO Council Meeting – Via Zoom

Date: October 7, 2020
Time: 9:30 a.m. to 12:00 noon
Location: Exact Location TBD

May CEO Council Meeting – Tentatively set for San Diego, CA

Date: May 20, 2021
Time: 9:30 a.m. to 12:00 noon
Location: Exact Location TBD

Executive Committee Meeting Dates for 2020-21:

Thursday, September 10, 2020 10:00 a.m. to 11:30 p.m.
Meeting held via Zoom videoconferencing platform

Thursday, March 25, 2021 10:00 a.m. to 11:30 a.m.
Meeting held via Zoom videoconferencing platform

Thursday, April 29, 2021 10:00 a.m. to 11:30 a.m.
Meeting held via Zoom videoconferencing platform



Wednesday, May 19, 2021
Executive Committee Retreat
San Diego – Exact Location TBD

(Note that the CEO Executive Committee may call additional meetings as needed throughout the year to address matters that may arise.)

Recommendation: The Charter SELPA CEO Council recommends approval of all items on the consent agenda.

END OF CONSENT AGENDA

7. REPORTS – NO ACTION REQUIRED

7.1 Executive Committee Meetings

7.1.1 Minutes of Executive Committee Meeting Held April 27, 2020

The Minutes of the April 27, 2020 Executive Committee Meeting are presented as Attachment 7.1.1.

7.2 Charter SELPA Membership

7.2.1 Current Members

A list of the current 2019-20 members/CEOs of the El Dorado Charter SELPA is included as Attachment 7.2.1.

7.2.2 New Members and Exiting Members for 2020-21

A list of the new members joining and members exiting the El Dorado Charter SELPA for 2020-21 is presented as Attachment 7.2.2.

If you are anticipating any school closures, please notify the Charter SELPA as soon as possible.

7.2.3 2019-20 Partner Oversight Update

The integrated oversight process of the SELPA is designed to identify areas of LEA support for both program and fiscal operations, as well as protect the SELPA as a whole from the loss of distributed funding. The oversight process consists of monitoring several metrics for all partners. A detailed 2019-20 Partner Oversight Update is included as Attachment 7.2.3.

7.3 Financial Update

7.3.1 Funding Rates

A report summarizing 2019-20 funding rates and projections for 2020-21 funding rates is included in Attachment 7.3.1.

7.3.2 Educationally Related Mental Health Services (ERMHS) Budget Update

CEO Council is updated at regular intervals on the ERMHS (Educationally Related Mental Health Services) budget to assure a transparent and predictable level of



funding for Charter SELPA partners. See Attachment 7.3.2 for the detailed ERMHS budget update.

7.3.3 Risk Pools Update

CEO Council will be updated on the status of the SELPA Risk Pools. See Attachment 7.3.3 for detailed updates on the Set-Aside Risk Pool, the Low Incidence Pool and the Rate Smoothing Pool.

INDIVIDUAL ITEMS REQUIRING CEO COUNCIL ACTION

8. 2020-21 Annual Service and Budget Plan

The Charter SELPA is required to annually prepare a budget and service plan in the manner and format prescribed by CDE. The budgeted expenditure data for 2020-21 is based on prior year expenditure trends and projections for 2020-21 based on growth. The service plan is developed using CASEMIS student data for the SELPA and projections for 2020-21. A copy of the Annual Budget and Service Plan can be accessed at the following link: <https://charterselpa.org/wp-content/uploads/2020/05/2020-2021-Charter-SELPA-Local-Plan.pdf>. The recommendation for approval of the Annual Budget and Service Plans for 2020-21 is included in Attachment 8.

9. Allocation Plan Alignment – Income Reallocation

The Charter SELPA recommends revising and updating the Allocation Plan regarding income reallocation. Details and proposed recommendations are included (with red-lined changes noted) in Attachment 9.

10. Legal Risk Pool – Allocation Plan Amendments

In its current configuration, the Legal Risk Pool is not viable beyond the current year. The Charter SELPA recommends not reducing AB 602 revenue to fund the pool and to suspend the Legal Risk Pool at the conclusion of the 2019-20 school year until a future revenue source can be identified. Corresponding amendments to Allocation Plan Elements 7 and 10 are necessary. Details and the proposed recommendations (with red-lined changes noted) are included in Attachment 10.

END OF ACTION ITEMS

11. SELPA Leadership Report

12. Future Agenda Items

13. Next Meeting Date

The next regularly scheduled meeting of the Charter SELPA CEO Council will be held on October 7, 2020 Via ZOOM.

12:00 pm 14. Adjournment





CEO COUNCIL MEETING MINUTES

Wednesday October 16, 2019 | 10:00 a.m.

**Hilton Garden Inn – Sacramento/Airport Natomas
Delta Meeting Room
20 Advantage Court, Sacramento**

UNADOPTED MINUTES

El Dorado Charter SELPA CEO Council Members

A complete list of CEO Council Members present for the meeting in person or online is available upon request to Kelly Carnahan at kcarnahan@edcoe.org.

1. Housekeeping/Procedural Announcements

2. Call to Order

The meeting was called to order at 10:04 a.m. at the Hilton Garden Inn – Sacramento/Airport Natomas, Delta Meeting Room, in Sacramento, by David Toston, Associate Superintendent, El Dorado Charter SELPA.

3. Approval of Agenda

Motion to approve the agenda as presented was made by member Cameron Curry, Classical Academy Schools, and seconded by member J.J. Lewis, Compass Charter Schools. There was no discussion, all approved, and the motion carried.

4. Public Hearing (for items not on the Agenda - comments limited to two minutes)

Opened at 10:05 a.m. and, with no comments, the public hearing closed at 10:05 a.m.

5. Welcome/Introductions

5.1 Welcome

David Toston welcomed everyone to the meeting.

5.2 Introductions

CEO Council members and guests introduced themselves and Ginese Quann, Charter SELPA Director, read out the names and school affiliations of members and guests participating in the meeting online.

CONSENT ITEMS REQUIRING CEO COUNCIL ACTION

6. Consent Items Requiring CEO Council Action

Items included on the Consent Agenda were approved as presented by one motion, with no CEO Council member requesting a separate action on a specified item.

6.1 Approval of Minutes of CEO Council Meeting Held May 23, 2019

The May 23, 2019 CEO Council Meeting Minutes were presented as Attachment 6.1.

A motion to approve the consent agenda item as presented was made by member Lynne Alipio, Altus Schools, and seconded by member Laura Mudge, Olive Grove Charter School. There was no discussion, all approved, and the motion carried.

END OF CONSENT AGENDA



7. REPORTS – NO ACTION REQUIRED

7.1 Minutes of Executive Committee Meeting Held September 12, 2019

The Minutes of the September 12, 2019 Executive Committee Meeting were presented as Attachment 7.1.

7.2 Review of Executive Committee Membership/Meeting Dates

A review of the current membership of the committee took place. The Executive Committee meets several times per year and attempts to have broad representation from the CEO Council to include charter representatives from large, small, geographically diverse, etc., members. The Executive Committee provides input to the Charter SELPA leadership team as recommendations are developed for the CEO Council.

A list of the Executive Committee members for 2018-19 follows:

Cindy Petersen, Gateway Community Charters
Dawn Evenson, iLEAD Schools
Debi Gooding, The Learning Academy
DiAnne McClenahan, The Bay Group
J. J. Lewis, Compass Charter Schools
Jonathan Dean, The O'Farrell Charter School
Josh Drake, Rocketship Public Schools
Julie Mattoon, KIPP Bay Area
Kapil Mathur, Orange County Academy of Sciences and Arts
Karin Marsolais, Preuss School UCSD
Kim Dammann, KIPP SoCal Public Schools
Lisa Freccero, Aspire Public Schools
Lynne Alipio, Altus Schools
Mark Ryan, North Valley Military Institute College Preparatory Academy
Mary Searcy Bixby, Altus Schools
Melissa Mora, ACE Charter
Michael Martucci, Ingenium Schools
Pat Hill, Learn 4 Life Concept Charter Schools
Patricia Dougherty, Phoenix Charter Academy
Paul Keefer, Pacific Charters
Wendy Sanders, Redding School of the Arts

An informational flyer with the 2019-20 meeting dates was included as Attachment 7.2. David Toston thanked those who served on the 2018-19 Executive Committee for their time and effort. David invited all partners who would like to join the Executive Committee for the 2019-20 year to express their interest directly to him through email. A full year commitment is encouraged. The SELPA has confirmed existing members' interest in continuing to serve on the Executive Committee for 2019-20.

7.3 Charter SELPA Partners Recognition

In 2013, the Charter SELPA formally recognized our founding partners, identified as being with us in the first three years of operation. Starting in 2014, we have annually recognized those partners who have achieved five years of membership. The partners recognized at this time have achieved five years of membership and had not been previously recognized:

- Caliber Schools
- Compass Charter Schools
- Delta Charter Schools



- e3 Civic High
- East Bay Innovation Academy
- Elevate Elementary
- Empower Charter
- MAAC Community Charter School
- Pacific Charter Institute
- San Diego Cooperative Charter Schools
- Semillas Community Schools
- Temecula Valley Charter School
- The Language Academy of Sacramento

David Toston thanked all of the schools for their partnership with the Charter SELPA. J.J. Lewis of Compass Charter Schools, Steve Payne of Delta Charter Schools, Ed Zander of East Bay Innovation Academy, Tim Ribota of Pacific Charter Institute, Marcos Aguilar of Semillas Community Schools, and Eduardo de Leon of The Language Academy of Sacramento were all present to accept their recognition award.

7.4 Charter SELPA Membership

A list of the current 2019-20 members/CEOs of the El Dorado Charter SELPA was included as Attachment 7.4.

7.5 Professional Development Update

The Leadership Academy, a unique professional development program for charter school special education and aspiring leaders, will be held July 20th – 24th, 2020 in Northern California – exact location to be determined. Registration information will be available in spring, 2020.

Multiple Teacher Academies, two-day professional learning opportunities designed for both new and experienced special education teachers, may be held regionally in the summer and fall of 2020. Registration information will be available in spring, 2020.

Multiple Para-Educator Academies, one-day professional learning opportunities designed for both new and experienced para-educators, will be held regionally in the fall of 2019 and spring of 2020. Registration information is currently available through the Charter SELPA website.

The Special Education Symposium will take place Thursday, February 20, 2020 at the Doubletree by Hilton - San Diego Mission Valley Hotel. Registration information will be available in late fall, 2019.

Ginese Quann shared information on the academies listed above and introduced a short video clip highlighting several of the academies. The Legal Forum will take place in both Northern and Southern California in January 2020. The theme of the February 2020 Symposium is 'Vision 20/20, Magnifying Your Prospective'. If a member LEA is interested in hosting an Academy, Ginese suggested talking to their program specialist and they will work with the school and region. Members of the SELPA team attended a five-day, intensive mental health/first-aid training. There will be information forthcoming on our plans to roll out this training for our member LEAs.

7.6 Fiscal Report

CEO Council was updated on fiscal reports for the 2018-19 year. Please see Attachment 7.6, entitled "Fiscal Report: 2018-19 Year-End & 2019-20 Budget", for this fiscal update.



Bob Steponovich shared that the fiscal update report sets forth how the SELPA closed out last year and what we see going forward into the next year. The fiscal update covers the Set-Aside Risk Pool, Funding Rates and the Rate Smoothing Pool, the Low Incidence Pool, Maintenance of Effort, and information on Unspent Funds.

General information and background on the pools was shared:

- *The Set Aside Risk Pool was created as protection against unanticipated situations that could reduce SELPA funding. The funding for this pool is a one-time contribution by new LEAs of \$5 per ADA;*
- *The Rate Smoothing Pool was established in response to state funding deficits – the pool receives the deficit restoral dollars and sets the funding rate with the intention of avoiding the tiny revenue adjustments throughout the year. The SELPA conservatively projects minimal restoral for 18-19; and*
- *The Low Incidence Pool is a dedicated funding stream for LI students' material, equipment, and services. Final claim payment is based on timely claims filed with sufficient documentation.*

David Toston shared that the deadline has passed for LEAs to submit their MOE reports, and a few have not yet been submitted. The importance of the reporting timelines was emphasized and members present and online were encouraged to check with their business departments to ensure timely reporting. Unspent funds are the result of an LEA not spending all of their special education funds in a given fiscal year. Fourteen charters ended 2018-19 with unspent funds. The Allocation Plan triggers certain actions if unspent funds reach 25% or greater. Thus far, only four of the fourteen hit this threshold.

7.7 Educationally Related Mental Health Services (ERMHS) Report

The CEO Council was updated on the 2018-19 ERMHS budget and on the September finding of sufficiency for the 2019-20 ERMHS budget to assure a transparent and predictable level of funding for Charter SELPA partners. Attachment 7.7, entitled "Year-End ERMHS Report", included details on the 2019-20 ERMHS funding parameters.

Bob Steponovich reviewed the September finding of sufficiency of funding and summarized the current 2019-20 ERMHS funding parameters:

- *The Level 2 formula provides 80% of the lesser of \$3,300 per eligible ERMHS SEIS service based on the 12-1-19 count; or the January 2020 budget request. \$100K is allocated for Level 2 transportation and indirect costs for Level 2 are allowed.*
- *Level 3 Site-Based Structured Therapeutic Program approved budget requests will be 80% funded. Budget Requests must be submitted by November 1st.*
- *Level 3 NPS ERMHS approved budget requests will be 90% funded for ERMHS for a student in an NPS placement.*
- *Level 3 NPS Residential Room and Board approved budget requests will be 100% funded.*

LEAs were reminded to keep the SELPA updated on Level 3 NPS placements as soon as they start or end. It was noted that last week was Mental Health Awareness Week and all members were reminded of the importance of normalizing mental health services and treatment.

7.8 Local Plan Template

The Charter SELPA provided an overview of the new local plan requirements. Assembly Bill (AB) 1808, requires all SELPAs to utilize a CDE-developed template for their local plan, annual budget plan (ABP) and annual service plan (ASP) effective July 1, 2020.



Ginese Quann shared information on AB 1808 and the new Local Plan template requirements. Local agreements and assurances, governance and administration, annual budget and service plans are all components of the required template. The SELPA team is currently familiarizing themselves with the template and requirements and plan to have the draft for review at the May 2020 CEO Council meeting. Once approved by CEO Council, the individual LEAs will have 2020-21 to approve the entire plan locally. LEAs will also be required to post the local plans on their individual websites.

The assurances section of the template has not yet been finalized by CDE. Once finalized, it will require that the SELPA goals align with an LEA's LCAP Priorities.

INDIVIDUAL ITEMS REQUIRING CEO COUNCIL ACTION

8. Charter School Closure Policy

The Charter SELPA recommended revising and updating CEO Policy 27. The proposed revision describes the required procedures and responsibilities when a charter LEA closes. Details and proposed recommendations were included (with red-lined changes noted) in Attachment 8.

David Toston reviewed the recommended policy changes and noted that the oversight responsibilities previously included in the Charter School Closure Policy are now proposed as a separate policy (See Item 9). Clarifying questions were asked by members in attendance and online. CEO Council members were encouraged to notify the SELPA as early as possible with potential closure information. These notifications will be confidential until formal action is taken by the appropriate entities (authorizer or Board of Directors). A motion to approve action item 8, as presented, was made by member Cameron Curry, Classical Academy Schools and seconded by member Lynne Alipio, Altus Schools. There was no discussion, all approved and the motion carried.

9. SELPA Oversight Policy

The Charter SELPA proposed the adoption of a new CEO policy regarding the Charter SELPA oversight responsibilities and procedures. The purpose of all monitoring and oversight activities is to ensure legal and effective LEA practices are in place to meet the needs of students with disabilities. This policy outlines areas of oversight and indicators that may cause a Charter SELPA review process. Details and proposed recommendations were included in Attachment 9.

David Toston outlined the SELPA oversight responsibilities and the need for a separate policy unique to the Charter SELPA to hold each other to the highest standard and above reproach in oversight responsibilities. The policy empowers SELPA administration to monitor and oversee activities to ensure legal and effective LEA practices are in place to meet the needs of students with disabilities.

A discussion developed on aspects of the oversight policy and the best interests of the SELPA as a whole. SELPA will continue to look at a proactive approach to oversight and develop a framework for further discussion at the next Executive Committee Meeting. It was suggested and agreed that an LEA's governing board be included as a party to be notified in the case of a charter school at-risk.

It was recommended that members move forward with approving the policy, with the addition of notification of the board of directors in the case of an at-risk charter school.

A motion to approve the Charter SELPA Oversight Policy, with the above-noted addition, was made by member J.J. Lewis, Compass Charter Schools, and seconded by member Dawn Evenson, iLead Charter Schools. There was further discussion on board notification as a "may" or a "will" and it was clarified to be a "may". Also discussed was the advisability of confirmation in addition to notification to the board and it was clarified to be notification only. All members approved with one abstention, and the motion carried.



10. Allocation Plan Updates

The Charter SELPA recommended updating element one of the Allocation Plan to align with current state law. Proposed recommendations were included (with red-lined changes noted) in Attachment 10.

Robert Steponovich presented the recommendation to update the Allocation Plan language to align with the current state funding model. The Charter SELPA funds each LEA member based on current year P-2 ADA and the SELPA is funded on the statewide target rate per ADA. In addition, the SELPA receives a small portion per ADA for SELPA Program Specialist/Regionalized Services (PS/RS rate). Should this funding source ever be rolled into the base rate by legislative action, 'CEO Council action would be required' to substantiate that the Charter SELPA continue to treat the PS/RS rate as a separate operational funding stream to the Charter SELPA.

After discussion, it was suggested and agreed that the proposed amended language "CEO Council action would be required to continue to treat the PS/RS rate as a separate operational funding stream to the Charter SELPA" be replaced with "CEO Council action substantiates that the Charter SELPA continue to treat the PS/RS rate as a separate operational funding stream to the Charter SELPA". (SELPA will send out a clean version of the language change via email because the adjustment was made verbally.)

A motion to approve the Allocation Plan language, with the above-noted adjustment, was made by member Laura Mudge, Olive Grove Charter Schools, and seconded by member Ramona Bishop, Elite Public Schools. There was no further discussion, all approved and the motion carried.

10.1 Element two of the Allocation Plan is updated to align with the proposed Charter SELPA Oversight Policy (Attachment 9) and was included in Attachment 10.1.

David Toston spoke to the need for an Allocation Plan language update to align with the newly adopted SELPA Oversight Policy. After discussion, it was suggested and agreed that the proposed amended language "...matters come to their attention that cause them to believe..." be strengthened to "...matters come to their attention that determine..."

A motion to approve the Allocation Plan language, with the above-noted adjustment, was made by member Steven Lawrence, Inspire Charter Schools, and seconded by member Edna Heller, The Learner Centered School. There was no further discussion, all approved and the motion carried.

11. Legal Risk Pool

In its current configuration, the Legal Risk Pool is not predicted to provide its intended protection beyond 2019-20. The Charter SELPA recommended a short-term revision to the Legal Risk Pool parameters to ensure sufficient resources to pay current year claims in order to provide time to discuss the long-term viability of the pool. Details and proposed recommendations were included in Attachment 11.

David Toston reviewed the attachment and reminded members that this is a self-insurance pool that allows for a level of reimbursement for legal fees when our LEAs find themselves dealing with a Due Process case. Unspent funds, the primary funding source for the pool, are diminishing due to partners effectively building capacity. Therefore, it is recommended to take short-term action to ensure the viability of the pool in 2019-20 and allow time for updated special education funding information to be incorporated into the exploration of pool alternatives by the Executive Committee in the current year. To continue funding the pool the SELPA recommends reduction of the match requirement from 60% to 50% with a maximum claim amount of \$15k.



A motion to approve the recommended reimbursement parameters was made by member Steve Lewis, River Charter Schools, and seconded by member Steven Lawrence, Inspire Charter Schools. There was no discussion, all approved and the motion carried.

END OF ACTION ITEMS

12. SELPA Leadership Report

David Toston and Ginese Quann reported on:

- *The CASEMIS to CALPADs transition and the importance of strong communication between an LEA's administration and their required on-site CALPADs coordinator.*
- *The Charter SELPA Annual Report was shared and included a highlight of Santiago Middle School.*
- *Congratulations to member Cindy Petersen of Gateway Community Charters, who was recently acknowledged by ACSA with the Women in Leadership Award.*
- *Recent state-wide assessment results show 16% of students with disabilities met requirements - 84% did not. We need to focus on closing that achievement gap and we are reviewing our professional development offerings to provide assistance.*

13. Future Agenda Items

If you have future agenda items, please share with David Toston via email.

14. Next Meeting Date

The next regularly scheduled meeting of the Charter SELPA CEO Council will be held on May 21, 2020 at the Hilton Garden Inn San Diego Bayside, 2137 Pacific Highway, San Diego, CA.

15. Adjournment

A motion to adjourn was made by member Priscilla Kucher – Oakland Military Institute College Preparatory Academy, and seconded by member Jim D'Agostino, Santiago Middle. We adjourned at 12:30 p.m.





El Dorado Charter SELPA CEO Council Meeting

Monday, March 9, 2020 | 3:00 p.m.

**Meeting took place via the Zoom
Teleconference Platform**

El Dorado Charter SELPA CEO Council Members

A complete list of CEO Council Members and guests participating in the meeting online is available upon request to Kathleen Hall at khall@edcoe.org.

Charter SELPA Administration:

David M. Toston, Associate Superintendent of
SELPA Programs

Ginese Quann, Charter SELPA Director

Bob Steponovich, Director of Business Services

Kathleen Hall, Administrative Assistant

SPECIAL MEETING MINUTES - Unadopted

Item

1. Call to Order

The meeting was called to order at 3:02 p.m. via the Zoom Teleconference platform, by David Toston, Associate Superintendent, El Dorado Charter SELPA. Associate Superintendent Toston requested any member of the public identify themselves – no members of the public identified themselves as being in attendance and participating in the online meeting.

2. Approval/Changes to Agenda Items (Action Required)

One agenda item was added to the end of the agenda: COVID-19 Response. Motion to approve the agenda, with the one added agenda item, COVID-19 Response, was made by member Mark Ryan, North Valley Military Institute, and seconded by member J.J. Lewis, Compass Charter Schools. There was no discussion, all approved, and the motion carried.

3. Public Hearing (for items not on the Agenda - comments limited to two minutes)

Opened at 3:07 p.m. and, with no comments, the public hearing closed at 3:07 p.m.

4. 2019-20 Charter Member Rate (Action Required)

SELPA AB 602 funding for the current year has been reduced due to disqualification of prior year ADA, and an adjustment to the 2019-20 state funding rate to partners must be determined. Attachment 4 detailed the proposed adjustment rate to partners.

SELPA Administration reviewed the detailed attachment which proposed three scenarios for dealing with the funding decline by:

Scenario 1: absorbing the full loss in the current year rate;

Scenario 2: applying the entire balance of the Rate Smoothing Pool and all but \$250,000 of the Set-Aside Risk Pool; or

Scenario 3: utilizing the entire balances of both the Rate Smoothing Pool and the Set-Aside Risk Pool.

While CEO Council policy delegates the authority to SELPA administration to make these decisions,



SELPA leadership believed it to be appropriate and necessary for the Council to formally act. Additionally, given the significance and the extraordinary nature of this situation, it is essential that we honor our shared values of transparency and shared decision making.

SELPA Administration recommended that the CEO Council approve Scenario 2: using the entire balance of the Rate Smoothing Pool and all but \$250,000 of the Set-Aside Risk Pool.

After questions and discussion with CEO Council members, a motion to approve Scenario 2, using the entire balance of the Rate Smoothing Pool and all but \$250K of the Set-Aside Pool to mitigate the funding decrease, was made by member Mary Bixby, Altus Schools, and seconded by member Dawn Evenson, iLead Charter Schools. There was further discussion and a vote was taken. The majority voted to approve the motion and the motion carried.

5. COVID-19 Response (Item added)

Associate Superintendent Toston shared that the SELPA is keeping the health and safety of teammates and partners at the forefront of any decisions and future plans. Any scheduled professional development during March, 2020 will transition to online and virtual platforms, if possible. If not possible, events will be cancelled or reschedule. We will continue to follow the guidance of statewide leaders and health professionals as we navigate these uncharted times.

6. Adjournment (Action Required)

A motion to adjourn was made by member Patricia Dougherty, Phoenix Charter Academy, and seconded by member Pat Hill, Learn4Life. The meeting was adjourned at 3:52 p.m.





EL DORADO CHARTER SELPA

Monday, April 27, 2020

Meeting was held via Zoom on
Monday, April 27, 2020 at 3:00 p.m.

MINUTES - EXECUTIVE COMMITTEE MEETING

*Denotes Participation

Charter SELPA:

*David M. Toston, Associate Superintendent
*Ginese Quann, Charter SELPA Director
*Robert Steponovich, SELPA Business Services Dir.

2019-20 Executive Committee Members:

*Mary Searcy Bixby, Altus Schools
*Lynne Alipio, Altus Schools
Lisa Freccero, ASPIRE
*J.J. Lewis, Compass Charter Schools
Allegra Johnson, Da Vinci Schools
*Cindy Petersen, Gateway Community Charters
Dawn Evenson, iLead Schools
*Michael Martucci, Ingenium Schools
*Julie Mattoon, KIPP Bay Area Schools
*Kim Damman, KIPP LA Schools
*Pat Hill, Learn4Life
*Mark Ryan, North Valley Military Institute
*Kapil Mathur, Orange County Academy
*Patricia Dougherty, Phoenix Charter Academy
*Karin Marsolais, Preuss School UCSD

*Vicki L. Barber, Retired EDCOE Supt. of Schools
*Kathleen Hall, Administrative Assistant

*Paul Keefer, Pacific Charter Institute
*Wendy Sanders, Redding School of the Arts
Josh Drake, Rocketship Education
*Barbara Hale, Sycamore Academy Charter
DiAnne McClenahan, The Bay Group
*Debi Gooding, The Learning Center
Jonathan Dean, The O'Farrell Charter School
Seth Feldman, Bay Area Technology
Cindy Kelley, King-Chavez
*Russell Michaud, Alpha Public Schools
Laura Mudge, Olive Grove Charter School
Jennifer Zamora, Bay Area Technology
*Stephanie Walton, Circle of Independent Learning

Guests/Participants:

*Alton Nelson, Making Waves Academy
*Amie Parent, Chico Country Day
*Annie Millar, Ceiba Prep
*Beverly Jimenez, Howard Gardner Community
*Camile Lara, Temecula International
*Casey Taylor, Achieve Charter
*Chammarra Nguyen, Goals Academy
*Connie Petit, Learn4Life

*Steven James, Inspire Charter Schools
*Erin Feeley, Bellamente Charter
*Frances Loeffler, El Rancho Charter
*Gloria Romero, Scholarship Prep
*Gwen Agustin, Caliber Schools
*Holly Colangelo, Woodland Star School
*Jill Chang, Epiphany Prep
*John Egnor, Inspire Charter Schools

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| *Kathleen Hermsmeyer, Springs Charter | *Mitchell Miller, College Prep Middle School |
| *Kimberleigh Kopp, National University Academy | *Paul MacGregor, Epic Charter Schools |
| *Kristine MacDonald, Mission Preparatory | *Samantha Pohaku, The O'Farrell Charter School |
| *Laura Blachman, New Day Academy | *Sarah Saluta, San Diego Cooperative Charter |
| *Loretta Burns, Inspire Charter Schools | *Stacie Moore-Quaife, Inspire Charter Schools |
| *Luke Duchene, Ross Valley Charter | *Tina Poudrier, Kavod Charter |
| *Mary Elise Mariano, Today's Fresh Start | *Vu Long Trinh, Ace Charter, Ace Charter |
| *Michelle Day, Connecting Waters Charter | *Kelly Carnahan, Charter SELPA |

Meeting began at 3:03 p.m. David reminded everyone this meeting is to solicit input, not vote on matters.

1. Allocation Plan Alignment

The Charter SELPA recommended revising and updating the Allocation Plan regarding income reallocation. Details and proposed recommendations were included (with red-lined changes noted) in Attachment 1.

David Toston reviewed the attachment, which addressed income reallocation between LEAs of an organization partner. It is necessary, as a SELPA, to clarify our language to align with the spirit and intent of the original Allocation Plan element. The Executive Committee is in support of sending this item to the full CEO Council meeting in May. If approved, this will take effect July 1, 2020 for the 2020/21 school year.

2. Legal Risk Pool

In its current configuration, the Legal Risk Pool is not viable beyond the current year. The Charter SELPA recommends not reducing AB 602 revenue to fund the pool and to suspend the Legal Risk Pool at the conclusion of the 2019-20 school year until a future revenue source can be identified. Details and the proposed recommendation were included in Attachment 2.

Bob Steponovich reviewed Attachment 2 and led a discussion on the viability of the Legal Risk Pool. With a lack of reliable revenue stream and an increase in claims, the pool will be unable to support another year of claims at the conclusion of the 2019-20 school year. Revenue is insufficient to continue the existence of the Legal Risk Pool after 2019-20. Alternatives were discussed, but none appeared prudent at this time. The Executive Committee is in support of presenting this item to the full CEO Council at their May meeting, to suspend/discontinue the Legal Risk Pool at the conclusion of the 2019-20 school year and transfer any remaining balance to the Set-Aside Risk Pool.

3. 2020-21 Outlook

A state budget advice document was included as Attachment 3, and Bob Steponovich reviewed the document in detail to help explain complications affecting the state rate advice for next year. (This document is also posted to the Charter SELPA website.) Many conditions demand caution in projecting the state revenue rate, and this cautious approach will incorporate elements listed in the attachment, including a zero% COLA, instead of the 2.29% COLA previously proposed.

Charter SELPA Business is developing a "What If" tool, with different ranges of funding variables to plugin, to assist with budget development.

4. ERMHS Funding

The 2019-20 final determination of sufficiency must be made with a great deal of uncertainty about what 2020-21 will bring in terms of revenue and expenditures. SELPA Administration asked the Executive Committee to discuss the tradeoffs involved and provide their input prior to making the final determination. Additional information was included in Attachment 4.

David Toston summarized the direction/consensus of the Executive Committee – to maintain reserves, be conservative for this year and not increase funding rates, and save resources to allow flexibility for 2020-21. We will go forward with the planned budget as is and will alert the field.

5. Local Plan Template

The Charter SELPA provided an update and overview of the new local plan requirements and the status of its submission. Assembly Bill (AB) 1808, requires all SELPAs to utilize a CDE developed template that shall be used by SELPAs for their local plan, annual budget plan (ABP) and annual service plan (ASP) to be used by all SELPAs effective July 1, 2020.

Ginese Quann provided an update on the submission date of the local plan process. The deadline for submission of the Governance/Section B portion of the local plan has been extended one year to June 30, 2021. SELPA will bring forward the Annual Budget and Service Plan portion of the local plan as scheduled and, after review and approval at the May CEO Council meeting, will submit it to CDE by June 30, 2020.

6. COVID-19 Response and Planning

SELPA requested feedback from the Executive Committee regarding the COVID-19 response and future needs. A discussion was held on the unprecedented challenges COVID-19 has created for the LEAs and the SELPA's guidance and response. Currently, the SELPA is not planning to hold any in-person events through 2020, and will attempt to find a balance of in-person and virtual offerings in the near future.

7. SELPA Leadership Report

David Toston presented the SELPA Leadership Report and updated the Executive Committee on the following topics:

- *The SELPA has submitted a claim for recovery and is actively exploring every possible avenue for recovery of funds from A3 Education.*

- *Professional learning continues and the SELPA provided online training for over 1200 participants in the last six weeks.*
- *Our previous Steering Committee meeting structure is transitioning to regional Professional Learning Networks to better align with the purpose of sharing program information. Rather than Steering Representatives, we will identify members as Program Representatives.*
- *Assembly Bills 1505 and 1507.*
- *All upcoming meetings will proceed virtually.*
- *Performance Survey – we'll add additional questions in light of recent events to help inform our decisions.*



2019/20 Charter SELPA CEO Council Members - May 2020

Partner Name	CEO	Title	LEAs	
ACE Charter Schools	Greg Lippman	CEO/Executive Director	4	
Achieve Charter School of Paradise Inc.	Casey Taylor	Executive Director	2	
Albert Einstein Academies	David Sciarretta	Principal	2	
Alma Fuerte Public	Laurilie Keay	Director	1	
Alpha Public Schools, Inc.	John Glover	CEO	4	
Alta Public Schools	Xavier Reyes	CEO	1	
Altus Schools	Mary Bixby	CEO	7	
America's Finest Charter	Jan Perry	Executive Director	1	
Amethod Public Schools	Nicolas Vaca	CEO	6	
ARISE High	Soo Jin Kim	Head of School	1	
Aspen Public Schools, Inc.	Shelly Lether	Executive Director	2	
ASPIRE Public Schools	Mala Batra	CEO	26	
Aurum Preparatory Academy	David Hardin	Executive Director	1	
Baypoint Preparatory Academy	Nancy Spencer	Executive Director	2	
Bella Mente Montessori Academy	Erin Feeley	Executive Director	1	
Blue Oak Charter School, Inc.	Susan Domenighini	Executive Director	1	
Caliber Schools	Terrance Johnson	CEO	2	
California Online Public Schools	Richard Savage	Executive Director	2	
California Virtual Academies	Katrina Abston	Executive Director	4	
Capitol Collegiate Academy	Cristin Fiorelli	Principal	1	
Ceiba Public Schools	Annie Millar	Executive Director	1	
Chico Country Day	Amie Parent	Director of Special Education	1	
Circle of Independent Learning	Stephanie Walton	Executive Director	1	
City Heights Preparatory Charter	Elias Vargas	School Director	1	
Classical Academy Schools	Cameron Curry	Executive Director	4	
Clayton Valley Charter High	Jim Scheible	Executive Director	1	

Partner Name	CEO	Title	LEAs	
College Preparatory Middle School, Inc.	Christina Callaway	Director of School Business	1	
Community Learning Center Schools, Inc.	Annalisa Moore	Executive Director	2	
Community Roots Academy	Jeremy Cavallaro	Executive Director of Education	1	
Community School for Creative Education	Ida Oberman	CEO	1	
Compass Charter Schools	J. J. Lewis	CEO	3	
Connecting Waters Charter Schools	Sherri Nelson	Executive Director/CEO	2	
Contra Costa School of Performing Arts	Neil McChesney	Executive Director	1	
CORE Butte, Inc.	Mary Cox	Executive Director	1	
Darnall Charter	Consuelo Manriquez	Associate Director of Communications	1	
Da Vinci Schools	Matthew Wunder	Executive Director	2	
Delta Charter Schools	Steve Payne	Deputy Superintendent	7	
Dixon Montessori Charter	Ben Ernest	Executive Director	1	
e3 Civic High	Cheryl Ward	CEO	1	
East Bay Innovation Academy	Dean Marolla-Turner	Executive Director	1	
Ednovate	Oliver Sicat	CEO	1	
Education for Change	Hae-Sin Thomas	CEO	7	
Eleanor Roosevelt Community Learning Center	Ron Paez	Interim Director	1	
Element Education, Inc.	Terri Novacek	Executive Director	2	
Elevate Elementary	Ryan Elliott	Principal/CEO	1	
Elite Public Schools	Ramona Robinson-Bishop	President/CEO	1	
El Rancho Charter School	Michelle Walker	Principal of Academics	1	
Empower Charter	Demi Brown	Executive Director/President	1	
Environmental Charter Schools, Non-Profit	Farnaz Golshani-Flechner	Executive Director/CEO	3	
Envision Schools	Gia Truong	CEO & Superintendent	3	
Epic Charter Schools of California	Paul MacGregor	Executive Director	1	
Epiphany Prep Charter	David Rivera	President	1	
Escuela Popular del Pueblo	Patricia Reguerin	Executive Director	2	
Fortune	Margaret Fortune	CEO/Principal	2	

Partner Name	CEO	Title	LEAs	
Francophone Charter School of Oakland	Mark Kushner	Interim Executive Director	1	
Garvey/Allen Visual and Performing Arts Academy for Science, Technology, Engineering & Mathematics	Tiffany Gilmore	CEO	1	
Gateway College and Career Academy	Miguel Contreras	Director	1	
Gateway Community Charters	Cindy Petersen	Superintendent/CEO	6	
GOALS Academy	Debra Schroeder	Director	1	
Gompers Preparatory Academy	Jane Firpo	Executive Director	1	
Gorman Learning Center, Inc.	Denice Burchett	Executive Director	2	
Green Dot Public Schools California	Cristina De Jesus	CEO	1	
Growth Public Schools	David Richards	CEO	1	
Guajome Schools	Kevin Humphrey	Superintendent of Schools	2	
Harriet Tubman Village Charter	Ryan Woodard	CEO/Principal	1	
Hawking S.T.E.A.M. Charter Schools	Lorena Chavez	CEO	1	
Hayward Collegiate Charter	Neena Goswamy	Executive Director	1	
Holly Drive Leadership Academy	Alysia Smith	Principal	1	
Howard Gardner Community Charter	Beverley Jimenez	Executive Director	1	
Iftin Charter	Ali Hori	Prinicpal	1	
iLEAD Charter Schools	Dawn Evenson	Executive Director	6	
Imagine Schools	Darrin Anderson	Regional Director	1	
Ingenium Schools	Jake Rodgers	Superintendent	2	
Inland Leaders Charter School	Mike Gordon	Executive Director	1	
Innovations Academy	Christine Kuglen	Director	1	
Inspire Charter Schools	Steven Lawrence	Interim Executive Director/COO	10	
Inspire School of Arts and Sciences	Matt McLaughlin	Director of Special Education	1	
Invictus Academy of Richmond	Gautam K Thapar	Executive Director	1	
John Adams, Inc.	Heather Brown	Co-CEO/Headmaster	3	
Julian Charter School, Inc.	Jennifer Cauzza	Executive Director	3	
Kairos Public School Vacaville Academy	Jared Austin	Executive Director	1	
Kavod Charter School	Alexa Greenland	Executive Director	1	

Partner Name	CEO	Title	LEAs	
Keiller Leadership Academy	Joel Christman	Executive Director	1	
KEY Educational Group	Krista Kastriotis	Executive Director	1	
Kinetic Academy	Bre Lionetti	Executive Director	1	
King-Chavez	Cindy Kelley	CEO	6	
KIPP Bay Area Public Schools	Beth Sutkus-Thompson	Executive Director	13	
KIPP SoCal Public Schools	Marcia Aaron	CEO	10	
Leadership Public Schools	Patricia Saddler	Superintendent & CEO	3	
Learn 4 Life	Pat Hill	VP of Student Services	14	
Learning Choice Academy	Debi Gooding	Executive Director	3	
Lifeline Education Charter School	Paula DeGroat	Director	1	
Life Source International Charter	Deberae Culpepper	Executive Director	1	
Lighthouse Community Public Schools	Jenna Stauffer	CEO	3	
MAAC Community Charter School	Arnulfo Manriquez	President/CEO	1	
Magnolia Educational and Research Foundation	Alfredo Rubalcava	CEO	6	
Making Waves Academy	Alton Nelson	CEO	1	
Mary L. Booker Leadership Academy	Terrence Davis	Head of School	1	
McGill School of Success	Norma Sandoval	Principal/CEO	1	
Mission Preparatory	Kristine MacDonald	Executive Director	1	
Museum	Phil Beaumont	Executive Director	1	
National University Academy	Kimberleigh Kopp	Executive Director	3	
Navigator Schools	Kevin Sved	CEO	3	
New Day Academy, Inc.	Laura Blachman	Executive Director	2	
Nord Country School, Inc.	Kathy Dahlgren	Principal/Superintendent	1	
North Oakland Community Charter School	D. M. (David) Kloker	Head of School	1	
North Valley Military Institute College Preparatory Academy	Mark Ryan	Superintendent	1	
Oakland Military Institute College Preparatory Academy	Stanley Echols	Superintendent	1	
Oakland School for the Arts	Staci Smith	Interim Executive Director	1	
Old Town Academy K-8 Charter	Jon Centofranchi	CEO	1	

Partner Name	CEO	Title	LEAs	
Olive Grove Charter School	Laura Mudge	President/Director	5	
OnePurpose School	Anne Shibley	Principal	1	
Orange County Academy of Sciences and Arts	Kapil Mathur	Executive Director	1	
Oxford Day Academy	Mallory Dwinal	CEO/COO	1	
Oxford Preparatory Academy	Jill Marks	Executive Director	2	
Pacific Charter Institute	Paul Keefer	Executive Director	2	
Pacific View Charter	Gina Campbell	Founding Executive Director	1	
Palmdale Aerospace Academy	Matthew Winheim	Executive Director	1	
Paragon Collegiate Academy	Serafin Alvarez	Vice President	1	
Partners in Oakland Education	Rosette Costello	Executive Director	1	
Peak to Peak Mountain Charter	Jeffrey Fenske	Administrator	1	
Perseverance Preparatory School	Alexandria LeeNatali	Founder and Executive Director	1	
Phoenix Charter Academy	Patricia Dougherty	CEO	1	
Plumas Charter	Taletha Washburn	Executive Director	1	
Preuss School UCSD	Helen Griffith	Executive Director	1	
REACH Leadership STEAM Academy	Virgie Rentie	Executive Director/CEO	1	
REAL Journey Academies	Alex Lucero	Chief Executive Officer	1	
Redding School of the Arts	Margaret Johnson	Executive Director	1	
Redding STEM Academy	John Husome	Director / Principal	1	
Rising Sun Montessori	Karl Zierhut	Head of School	1	
River Charter Schools	Steve Lewis	Superintendent	2	
River Montessori Elementary Charter	Kelly Mannion	Executive Director	1	
ROADS Education	Jayna Gaskell	Executive Director	4	
Rocketship Public Schools	Preston Smith	CEO	13	
Rocklin Academies	Robin Stout	CEO/Executive Director	4	
Ronald Reagan Charter School Alliance	Barbara Hale	Director/Principal	2	
Roses In Concrete Community School	Jeff Duncan-Andrade	Founder/Board Chair	1	
Ross Valley Charter School	Luke Duchene	School Director	1	

Partner Name	CEO	Title	LEAs	
Samueli Academy	Anthony Saba	Executive Director	1	
San Diego Cooperative Charter Schools	Tom Pellegrino	Executive Director	1	
San Diego Global Vision Academy	Christine Kane	Executive Director	1	
San Jose Conservation Corps Charter	Dorsey Moore	Executive Director	1	
Santiago Middle	James D'Agostino	Principal/Executive Director	1	
Scholarship Prep	Gloria Romero	Executive Director	2	
School for Entrepreneurship and Technology	Neil McCurdy	CEO	1	
School of Arts and Enterprise	Jon Gundry	Executive Director	1	
Semillas Community Schools	Marcos Aguilar	Executive Director	1	
SF Five Keys	Steve Good	Executive Director	3	
Sherwood Montessori	Michelle Yezbick	Director	1	
Sierra Charter	Lisa Marasco	Principal / CEO	1	
Springs Charter Schools	Kathleen Hermsmeyer	Superintendent	3	
St. Hope Public Schools	Kari Wehrly	Chief of Schools	2	
Stallworth Charter Schools	Gayle Stallworth	Executive Director	1	
Stockton Collegiate International	Scott Luhn	Head of School	2	
STREAM Charter School	Don Phillips	Director	1	
Summit Leadership Academy - High Desert	Randy Wormmeester	CEO	1	
Summit Public Schools	Diane Tavenner	CEO	6	
Sunrise Middle School	Teresa Robinson	Executive Director	1	
Temecula International Academy	Camile Lara	Principal	1	
Temecula Preparatory School	Michael Agostini	Head of School	1	
Temecula Valley Charter School	Michael Murphy	Executive Director	1	
The Beginning Project	Celeste Beck	Principal	1	
The Language Academy of Sacramento	Eduardo de Leon	Principal	1	
The Learner-Centered School, Inc.	Edna Heller	Co-Administrator	2	
The New School of San Francisco	Emily Bobel Kilduff	Head of School	1	
The O'Farrell Charter Schools	Jonathan Dean	Superintendent/Executive Director	2	

Partner Name	CEO	Title	LEAs	
Thomas Edison Charter Academy	Anakarita Allen	Executive Director/Superintendent	1	
Today's Fresh Start Charter School	Jeanette Parker	Superintendent	2	
Tomorrow's Leadership Collaborative Charter School	Jessica Tunney	Executive Director	1	
Trivium Academy of Classical Education	Trisha Vais	Executive Director	3	
Unity Middle College High	Erin Craig	Founding Executive Director	1	
Urban Discovery Academy Charter	Shawn Loescher	CEO	1	
Urban Montessori Charter	Krishna Feeney	Head of School	1	
Valiente College Preparatory	Dr. Esther Perez	Executive Director	1	
Vista Charter Public Schools	Don Wilson	Superintendent	2	
Vista Oaks Charter School, Inc.	Lucy Berk-Fisher	Director of Special Education	1	
Westlake Charter Schools	John Eick	Executive Director	1	
Willow Educational Foundation	Seth Feldman	Executive Director	1	
Woodland Star Charter	Jamie Lloyd	Administrator/CEO	1	
Yu Ming Charter	Sue Park	Head of School	1	
Total Number of Organizations 180		Total Number of LEAs	383	

El Dorado Charter SELPA - New Charter LEAs Joining and Leaving for 2020-21			
SELPA Status		Partner Name	LEA Name
Closing	1	Baypoint Preparatory Academy	SBE - Baypoint Preparatory Academy
	2	King-Chavez	King-Chavez Athletics Academy
	3	New Day Academy, Inc.	New Day Academy
	4	OnePurpose School	SBE - OnePurpose
	5	Summit Public Schools	Summit Public School: Rainier
Exiting	6	Inspire Charter Schools	Blue Ridge Academy
Joining	1	ASPIRE Public Schools	Aspire Stockton 6-12 Secondary Academy
	2		Aspire Stockton TK-5 Elementary Academy
	3	California Montessori Project	California Montessori Project - Elk Grove Campus
	4		California Montessori Project-San Juan Campuses
	5		California Montessori Project-Shingle Springs Campus
	6		California Montessori Project - Capitol Campus
	7	California Online Public Schools	California Connections Academy @ Ripon
	8		California Connections Academy @ Central
	9		California Connections Academy @ North Bay
	10		California Connections Academy Southern California
	11	California Virtual Academies	Insight @ San Joaquin
	12	Chrysalis Charter	Chrysalis Charter
	13	Credo High School	Credo High
	14	Da Vinci Schools	Da Vinci Design
	15	Eagle Collegiate Academy	Eagle Collegiate Academy
	16	El Sol Santa Ana Science and Arts Academy	El Sol Santa Ana Science and Arts Academy
	17	Environmental Charter Schools, Non-Profit	Environmental Charter High School #2
	18	Gateway Community Charters	Futures High
	19		Community Collaborative Charter
	20		Higher Learning Academy
	21	Green Dot Public Schools California	Animo City of Champions Charter High
	22		Animo Inglewood Charter High
	23		Animo Leadership High
	24	High Tech	High Tech Middle
	25		High Tech High International
	26		High Tech Middle Media Arts
	27		High Tech High Media Arts
	28		High Tech Elementary
	29		High Tech Elementary Explorer
	30		High Tech High Chula Vista
	31		High Tech High North County
	32		High Tech Middle North County
	33		High Tech Middle Chula Vista
	34		High Tech Elementary Chula Vista
	35		High Tech Elementary North County
	36		High Tech High Mesa
	37		High Tech Middle Mesa
	38		High Tech Elementary Mesa
	39		High Tech High
	40	Julian Charter School, Inc.	JCS - Manzanita
	41		JCS - Cedar Cove
	42		JCS - Pine Valley
	43	Literacy First Charter Schools	Literacy First Charter
	44	Manzanita Charter Middle School	Manzanita Middle
	45	New West Charter Middle School, Inc.	SBE - New West Charter
	46	Nova Academy Early College High	NOVA Academy - Coachella
	47		Nova Academy Early College High
	48	Novato Charter	Novato Charter
	49	Orange County Academy of Sciences and Arts	OCASA College Prep
	50	Orange County Classical Academy	Orange County Classical Academy
	51	Orange County Educational Arts Academy	Orange County Educational Arts Academy
	52	Orange County High School of the Arts	OCSA
	53	REAL Journey Academies	Entrepreneur High School Fontana
	54	Rocklin Academy Family of Schools	American River Collegiate Academy
	55	Sacramento Valley Charter	Sacramento Valley Charter
	56	Scholarship Prep	Scholarship Prep Palmdale
	57	Shasta Secondary Home School, Inc.	Shasta Charter Academy
	58	Sierra Academy of Expeditionary Learning	Sierra Academy of Expeditionary Learning
	59	Southern Humboldt Charter Schools	Agnes J. Johnson Elementary
	60	Tracy Learning Center	Primary Charter
	61		Millennium Charter
	62		Discovery Charter
	63	Yuba City Charter School, Inc.	Yuba City Charter



Partner Oversight Update

Background

The Oversight Policy adopted by the CEO Council in October 2019 calls for the monitoring of special education practices and data continuously to determine whether practices are in line with the LEA's responsibilities to students with disabilities and SELPA policies. Examples of existing indicators and standards include but are not limited to:

- Identification rate of special education students that is below 4% or greater than 14%
- State Performance Plan Indicators
- Significant swings in enrollment and/or enrollment trends that are not aligned to the LEA's instructional calendar
- Pattern of compliance complaints or due process hearings
- Evidence of exclusionary practices
- Significant and/or abrupt change in leadership or staff
- No/low participation or engagement in the Charter SELPA (CEO Council, Professional Learning Network, professional learning offerings, etc.)
- Unspent funds greater than 25%
- Annual independent audit which shows serious fiscal solvency issues or material findings (e.g., findings related to internal control or program compliance, high debt ratios, deficit spending, going concern findings, adequate reserves, and adequate cash)

If one or more of the preceding triggers indicates a potential problem, the Charter SELPA may initiate a program and/or fiscal review. Program and fiscal reviews are facilitated by the appropriate Charter SELPA administrator. Charter SELPA's goal in each review process is to clearly identify the areas of SELPA concern, discuss any underlying issues which may be impacting the findings, and identify how the Charter SELPA can assist the LEA in any necessary corrective action. The Charter SELPA may request additional information as necessary to resolve identified concerns.

When multiple or connected concerns exist, the Charter SELPA may implement an Integrated Review Team (IRT) visit. An Integrated Review Team (IRT) visit consists of Charter SELPA program and business administrators meeting directly with the charter LEA leadership team.

The monitoring process is year-round due to the timing of data reporting and availability. This report to the CEO Council is a snapshot update on the continuous process.

Identification Rates

The statewide percent of K-12 students ages 5 to 22 served in special education is 11.9%.

- The overall Charter SELPA average for 2018-19 was 10.8%
- The overall Charter SELPA average for 2019-20 is 10.9%.

Historically, first-year charters have had a lower average identification rate than 2+ year partners. For 2019-20, the rates are 8.05% (Yr 1) and 11.14% (Yr 2+), respectively.

Identification Rate by Enrollment			
	2019-20 Enrollment	Pupil Count Dec 2019	SpEd Count as % of Enrollment
Partners - First Year in SELPA	15,858	1,276	8.05%
Partners - 2 or more Years	197,639	22,011	11.14%
Total	213,497	23,287	10.91%

If a charter is above 14% or below 4%, it may suggest that a greater analysis and review should be conducted. If a charter continues to be under 4% in the second year, that may be a sign of concern; perhaps identification or program issues. Low identification rates often coincide with charters that have unspent funds.

Due Process

There have been 57 due process filings in 2019-20 thus far. This compares to 71 filings in 2018-19.

State Complaints

There have been 31 state complaints in 2019-20 thus far. This compares to 34 complaints in 2018-19. All complaints have been resolved within the required timeline.

Participation

Building effective special education programs as a SELPA partner requires active engagement in governance and educational opportunities, as well as networking with peers for best practice information. Therefore, participation in Charter SELPA governance and professional learning network meetings, as well as professional learning offerings, is tracked throughout the year.

If a partner has not been active from July through December, a formal letter is sent in January. In January, eight charters received letters detailing low participation rates and encouraging increased participation for the remainder of 2019-20. In 2018-19, 12 charters received low participation letters.

OCR Complaints

There have been no OCR complaints in 2019-20 thus far. There were also zero for 2018-19.

Unspent Funds

Statewide, LEA local contributions from general education funds to cover total special education expenses during 2018-19 averaged in excess of 65%. For SELPA partners, the average is just over 28%. Unspent special education funding in a charter is an unusual situation calling for further analysis. The Allocation Plan provides the following regarding special education funding that remains unspent at the close of any fiscal year:

- Charters with unspent funds greater than 25% of total annual funding may not be eligible for federal funds in the following year.
- Charters with unspent funds greater than 25% will be moved to a reimbursement-based state funding cash flow, with the intent that the charter shall spend the prior year unspent funds first.
- If need is not demonstrated, the funds will be allocated the next year to a risk pool.

In 2017-18, nine charters had unspent funds. At the close of 2018-19, a total of 14 charters had unspent funds:

- Four had unspent funds equal to or greater than 25% and were ineligible for 2019-20 federal funding. Per the Allocation Plan, these charters were placed on reimbursement-based funding for 2019-20. Based on final 2019-20 expenditure reporting, any funding left unspent will be transferred to the Legal Risk Pool as revenue.
- Ten had less than 25% unspent funds, and current year budgets were requested. Budgets were then assessed to determine the extent to which the unspent carryover balance will be expended in 2019-20. Based on this review, all ten of these charters remain eligible for federal funding this year.

Audit Reports

The audit review focuses on going concern determinations, the qualified/unqualified opinion of the auditor, audit findings of a material nature that could impact state/federal compliance or future fiscal solvency, prior year net asset, cash sufficiency and operating surplus/deficit positions, and year-over-year trends.

Many CMO/Non-Profit Partner organizations submit a single audit report that encompasses all charters under the umbrella of the partner. We received audit reports from all partners.

Following is a summary of the results of the 2018-19 audit review. The counts are reported on an unduplicated basis.

- No partners received a **negative going concern** designation
- Nine partners (15 LEAs) were issued **qualified** audit reports
- Three partners (5 LEAs) had **material findings**
- Two partners (3 LEAs) had findings related to **internal control**
- Five partners (6 LEAs) had **negative net asset** positions

For the remaining partners listed, current year interim budgets and further information has been requested as applicable and is under review.

Enrollment

The Charter SELPA attempts to balance requests for data with the effort and time required of partner business offices to fulfill such requests. Currently, trends in student population are analyzed at each attendance certification period; however, SELPA administration feels that more frequent monitoring is warranted. Beginning in 2020-21, point-in-time enrollment data will be collected from all partners four times during the year to more effectively monitor enrollment trends that are not aligned to an LEA's instructional calendar.

Recommendation - None

This report is provided for information only. No action is required.



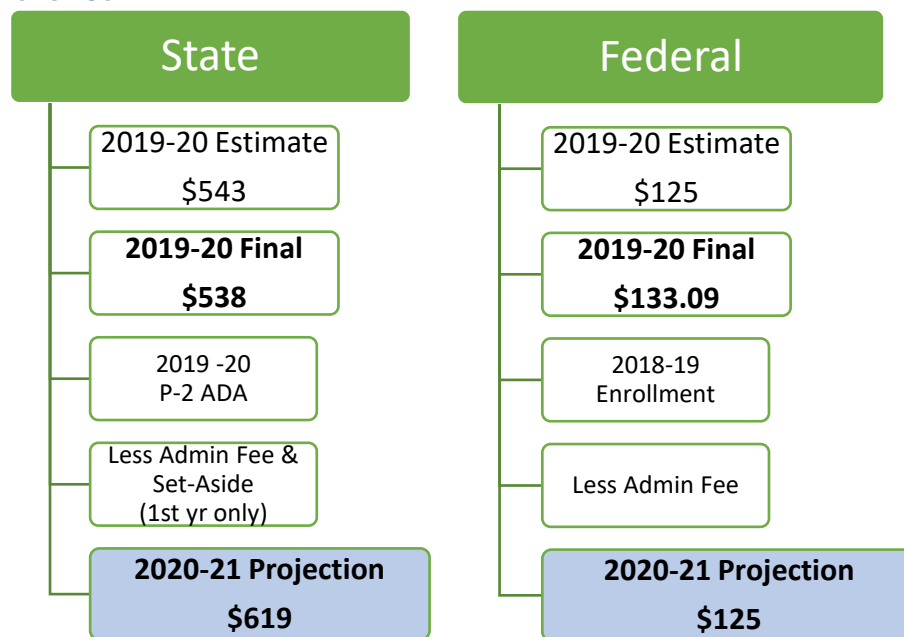
Funding Rates

Background

The Charter SELPA Allocation Plan requires that CEO Council is updated on funding rate determinations and the use of any funds from the Rate Smoothing Pool.

1) Funding Rates/Rate Smoothing Pool

FUNDING PROJECTION SUMMARY



2019-20 REVISED STATE RATE

The 2019-20 Charter Member Rate was originally set at \$543/CY ADA which was projected to require \$750K from the Rate Smoothing Pool. However, based on the fraudulent activity of the A3 Education organization, the 2018-19 ADA for all A3 schools was reduced to zero in February 2020 at P-1 certification. The ADA reduction resulted in a \$6.9M loss of 2019-20 revenue and required an adjustment to the current year Charter Member Rate. The two sources available to cover the loss were the Rate Smoothing and the Set-Aside Risk Pools. The Set-Aside Risk Pool was projected to end the year with a balance of \$786,378. Fortunately, the year-end projected balance of the Rate Smoothing Pool was a healthy \$4,699,142 as a result of a comparatively small current year deficit applied at P-1 in February.

A special CEO Council meeting was called on March 9, 2020 to discuss the problem and approve a solution. The three scenarios shown in Table 1 were presented to the CEO Council at that meeting.

1. Absorbing the full loss in the current year rate resulting in a \$30/ADA 2019-20 rate reduction.
2. Applying the entire balance of the Rate Smoothing Pool and all but \$250,000 of the Set-Aside Risk Pool resulting in a \$5/ADA 2019-20 rate reduction

3. Utilizing the entire balances of both the Rate Smoothing Pool and the Set-Aside Risk Pool resulting in a \$4/ADA 2019-20 rate reduction.

The CEO Council approved Scenario 2 using all funds in the Rate Smoothing Pool and all but \$250K of the Set-Aside Risk Pool. This determined the \$5/ADA reduction in the 2019-20 rate from \$543 to \$538.

2019-20 REVISED FEDERAL RATE

Each year, budget advice for the federal funding rate is \$125/PY enrollment (CBEDS). The final rate cannot be calculated until:

- 1) the actual federal grant amount from CDE is received;
- 2) partners with unspent funds in the prior year greater than 25% are identified; and
- 3) partners choosing to opt-out of federal funding are known.

Incorporating the impact of these three variables, the final federal funding rate for 2019-20 is \$133.09/PY enrollment (CBEDS).

2020-21 BUDGETED RATES:

State \$645 or \$619/3-Year ADA Average. Given the fiscal unknowns driven by the pandemic, a range of rates was previously published based on three potential funding scenarios: \$530-\$546-\$564. This early budget advice has been updated to account for the unexpected preservation in the May Revise of the state target rate increase proposed in January.

While it is clear from the May Revise that special education funding will avoid cash deferrals and that the ADA component of the funding calculation will be a 3-year rolling average for each LEA in the SELPA, the status of the special education deficit is somewhat unclear. Therefore, current rate advice is bifurcated, incorporating a no deficit assumption and a cautious deficit assumption of 4%, given the projection of no funds in the Rate Smoothing Pool.

Federal Projecting a rate of \$125/PY enrollment (CBEDS). Assumes no significant changes to the federal budget and CDE's SELPA federal grant calculation.

RECOMMENDATION

This report is provided for information only. No action is required.



ERMHS Update

Background

The September 2019 Finding of Sufficiency resulted in the following 2019-20 ERMHS funding parameters:

- **Level 2 (80% of the lesser of):**
 - \$3,300 per eligible ERMHS SEIS count based on the December 1 count; or
 - January 2019 Budget request (updated with final expenditures July 2019)\$100K is allocated for Level 2 transportation, and indirect costs for Level 2 are allowed.
- **Level 3 Site-Based Structured Therapeutic Program (80% funded)**
- **Level 3 NPS ERMHS (90% funded)**
- **Level 3 NPS Residential Room and Board (100% funded)**

These reimbursement parameters and their projected costs are shown in Table 1, rows 3 through 7; Columns A & B (September 2019 projection); and columns C & D (current).

Update/Analysis

Revenue

State revenue (Table 1, row 2) and total revenue (Table 1, row 3) have been updated since September based on February P-1 attendance certification data.

Level 2

The final component of determining Level 2 funding is the collection of budget requests, which were submitted on January 15. Working with our partners, the SELPA reconciled the details of these budget submissions with student IEPs. The total Level 2 budget based on the September reimbursement percentages appears in Table 1, D3.

Level 3

The projection for overall Level 3 expenditures is tracking very closely to the initial budget projections. Updated totals for NPS site-based therapeutic costs, NPS ERMHS costs, and NPS residential costs are reflected in Table 1, D4 through D7.

Finding of Sufficiency

The Allocation Plan's May determination calls for managing to a 5-10% (of revenue) reserve by modeling changes in the percentage reimbursement levels established in September.

The Allocation Plan details a priority order for allocating amounts in excess of a desired reserve:

1. Increase Level 2 reimbursement, Level 2 transportation, and Level 3 site-based structured therapeutic program from 80% to 90%.
2. Increase Level 3 NPS ERMHS from 90% to 95%.
3. Increase Level 2, Level 2 transportation, and Level 3 site-based structured therapeutic program from 90% to 95%.
4. Increase Level 2, Level 2 transportation, Level 3 site-based structured therapeutic program, and Level 3 NPS ERMHS from 95% to 100%.

Historically, final expenditures have been lower than budgeted expenditures for both Level 2 and Level 3. There is variation from year to year in how much lower, i.e., no identifiable trend has emerged. A cautious projection of the variance between budgeted and final expenditures has been applied to the Feb 2020 cost numbers as follows:

- Level 2 & Level 3 Site-Based Programs: 96% of budgeted
- Level 3 NPS & NPS Residential: 90% of budgeted

For the past three years, through current year deficit spending, the SELPA has been managing the reserve level down toward the 5-10% range suggested by the Allocation Plan.

Applying the order of priority in the Allocation Plan detailed above, Table 1, columns C through H display the alternatives for the fiscal decision to be made in the 2019-20 final Finding of Sufficiency. The tradeoff question: How high should reimbursement percentages be set for 2019-20 vs. what level of reserve is prudent moving into 2020-21?

Table 1

ERMHS Budget		A	B	C	D	E	F	G	H
		2017-18 Final	2018-19 Final	Pro-ratio	2019-20 Projected (May 2020)	Pro-ratio	2019-20 Projected (May 2020)	Pro-ratio	2019-20 Projected (May 2020)
1	State	10,460,970	13,194,599		13,702,412		13,702,412		13,702,412
2	Federal	1,653,927	1,975,593		2,432,778		2,432,778		2,432,778
3	Total Revenue	\$ 12,114,897	\$ 15,170,192		\$ 16,135,190		\$ 16,135,190		\$ 16,135,190
4	Level 2	8,899,644	11,169,010	80%	10,892,596	90%	12,254,171	90%	12,254,171
5	Level 3 Site Based Therapeutic	424,503	706,503	80%	581,788	90%	654,511	90%	654,511
6	Level 3 NPS	1,199,433	1,628,401	90%	1,791,944	90%	1,791,944	95%	1,891,496
7	Level 3 Res/NPS	1,500,758	1,724,781	90%	394,428	90%	394,428	95%	416,341
8	Level 3 Residential			100%	1,314,773	100%	1,314,773	100%	1,314,773
9	SELPA Indirect	360,730	456,861		449,300		492,300		495,900
10	Total Expenditures	\$ 12,385,068	\$ 15,685,556		\$ 15,424,829		\$ 16,902,127		\$ 17,027,192
11	Revenue less Expenditures	\$ (270,171)	\$ (515,364)		\$ 710,361		\$ (766,937)		\$ (892,002)
12	Beginning Balance	\$ 2,777,322	\$ 2,507,151		\$ 1,991,787		\$ 1,991,787		\$ 1,991,787
13	Ending Balance	\$ 2,507,151	\$ 1,991,787		\$ 2,702,148		\$ 1,224,850		\$ 1,099,785
14	Reserve (% of Revenue)	20.69%	13.13%		16.75%		7.59%		6.82%

Finding of Sufficiency

The COVID-19 pandemic, more specifically the significant state budget ramifications of the crisis, has introduced significant fiscal unknowns for 2020-21 and beyond. Mental health funding is no exception. Because so much is uncertain, collaborative discussion with the Executive Committee around the tradeoff between distributing revenue in the current year and carrying a given level of reserves for future unknowns resulted in a unanimous recommendation to fund at current formula levels for 2019-20 and save any excess revenue in a “rainy day” reserve balance.

Recommendation - None

This report is provided for information and discussion only. No action is required.



Risk Pools Update

1) SET-ASIDE RISK POOL

The current structure of the Set-Aside Risk Pool was established by CEO Council in 2016-17. The intent of the pool is to provide protection to the SELPA as a whole against potential SELPA funding losses resulting from the action of a member. Ongoing funding for the Set-Aside Risk Pool is generated from a one-time contribution from all new charters equal to \$5/current year P-2 ADA.

At P-1 certification in February, the projected current year revenue of \$180K is shown in Table 1, C1. This number will be finalized at P-2 in June. The significant pool expenditure of \$536K shown in C3 is the amount charged to the pool to cover the A3 Education loss of funding. No other pool expenditures are anticipated at this time.

Based on these factors, the ending balance of the pool is projected to end the year at \$264K (C8).

Table 1

Set Aside Risk Pool		A	B	C
		2017-18 Final	2018-19 Final	2019-20 Projected
1	Contribution from New Charters	65,446	158,769	\$ 80,052
2	Total Revenue	\$ 65,446	\$ 158,769	\$ 80,052
3	Distressed Charters	46,539	-	\$ 536,378
4	Extraordinary Costs	-	22,000	\$ -
5	Total Expenditures	\$ 46,539	\$ 22,000	\$ 536,378
6	Income less Expenditures	\$ 18,907	\$ 136,769	\$ (456,326)
7	Beginning Balance	\$ 564,212	\$ 583,119	\$ 719,888
8	Ending Balance	\$ 583,119	\$ 719,888	\$ 263,562

2) LOW INCIDENCE POOL

The SELPA receives very little funding for low incidence materials and services (Table 2, Row 1). Annual growth of low incidence reimbursement claims makes guaranteeing a maximum reimbursement rate at the beginning of the year very difficult. May 1 is the deadline for claim submission and, until all known claims are submitted, the final maximum reimbursement rate for 2019-20 cannot be established. The maximum in that past two years was set at \$2,300 in 2017-18 and \$2,235 in 2018-19.

The 2019-20 revenue to the Low Incidence Pool of \$237K (C1) is generated by multiplying the state-determined rate by the prior year pupil count of students with low incidence disabilities as defined in Education Code (hearing impairments, vision impairments, severe orthopedic impairments, or any combination thereof).

Reimbursement claims for 2019-20 are currently projected to be \$285K (C3) assuming that submitted claims will extinguish all funding available, including last year's carryover of \$48K (B7). Requests submitted at (and near) the May 1 deadline are currently being analyzed to determine a final maximum rate for reimbursement. Once all claims are processed, the final 2019-20 maximum reimbursement will be established and announced to the field. Correspondingly, this expenditure number will be updated with actuals.

Table 2

Low Incidence Pool		A	B	C
		2017-18 Final	2018-19 Final	2019-20 Projected
1	Income	153,082	183,147	236,354
2	Total Revenue	\$ 156,082	\$ 191,767	\$ 236,354
3	Awards	92,144	207,014	284,582
4	Total Expenditures	\$ 114,446	\$ 207,014	\$ 284,582
5	Income less Expenditures	\$ 41,636	\$ (15,247)	\$ (48,228)
6	Beg Balance	\$ 21,839	\$ 63,475	\$ 48,228
7	Ending Balance	\$ 63,475	\$ 48,228	\$ -

3) RATE SMOOTHING POOL

The Rate Smoothing Pool was established by the CEO Council to mitigate the cash flow impacts from the movement of the special education deficit throughout the year. Funds from the pool have allowed the Charter SELPA to flow cash to partners at a rate higher than the rate at which funding is received from the state. Sources of revenue for the Rate Smoothing Pool:

- All deficit restorations received from the state by the SELPA; and
- Any other additions to the pool approved by the CEO Council.

The significant pool expenditure of \$5.7M (Table 3, C2) consists of the amount that was charged to the pool based on the CEO Council's decision to cover the current year A3 Education loss of funding, essentially draining the pool. Currently, the status of a continuing special education deficit is unknown. Should the deficit be eliminated in the final budget, administration will present options to the CEO Council for any remaining balance. If the deficit continues, conservative deficit projections will be required until the pool balance is built back up.

Table 3

Rate Smoothing Pool		A	B	C
		2017-18 Final	2018-19 Final	2019-20 Projected
1	Total Revenue	30,697	2,470,754	2,760,792
2	Total Expenditures	310,118	177,123	5,741,626
3	Income less Expenditures	(279,421)	2,293,631	(2,980,834)
4	Beginning Balance	976,348	696,927	2,990,558
5	Ending Balance	696,927	2,990,558	9,724

RECOMMENDATION - NONE

The Risk Pool reports are provided for information only. No action is required.



Charter SELPA CEO Council Meeting – 5-21-20
Annual Budget and Service Plans – 2020-21
Attachment 8

Annual Budget and Service Plans – 2020-21

Background

The Charter SELPA is required to annually prepare a budget and service plan in the manner and format prescribed by CDE. The budgeted expenditure data for 2020-21 is based on prior year expenditure trends and projections for 2020-21 based on growth. The service plan is developed using CASEMIS student data for the SELPA and projections for 2020-21.

Approval of the Annual Service and Budget Plan and the Local Plan is defined in CEO Policy 1 as follows:

Per CEO Policy 1 (Excerpts)

The Charter SELPA Local Plan is approved by the Governing Board of El Dorado County Office of Education. Amendments to the Local Plan to revise LEA membership (additions/deletions) shall be approved by the Governing Board of the El Dorado County Office of Education. Prior to county board approval, new LEA members shall be approved through the selection process as identified in Policy 22 and AR 22. Termination of membership shall be approved through the termination process as identified in Policy 26. All membership changes shall be communicated with the Charter SELPA CEO Council at the next regularly scheduled meeting.

The Governing Board of the El Dorado County Office of Education will hold the required public hearings and approve the annual service plan and the annual budget plan. The plans shall be sent to all charter LEA members and communicated with the Charter SELPA CEO Council at the next regularly scheduled meeting. Notice of the public hearings shall be posted in each charter school at least 15 days prior to the hearing, as required by law.

The Annual Budget and Service Plan for the Charter SELPA for 2020-21 has been prepared and is now presented at the May 21 CEO Council meeting. Pursuant to Ed Code, Charter SELPA members are required to post a notice of public hearing for the Annual Service and Budget Plans. Information has been sent to all members to post the public hearing notice 15 days prior to the May 21 CEO Council date (post by May 6). Public Notice of the hearing has been posted as required and, after the public hearing, the documents will be submitted to the California Department of Education. The 2020-21 Annual Budget and Service Plan is available at the following link on the Charter SELPA website:

<https://charterselpa.org/wp-content/uploads/2020/05/2020-2021-Charter-SELPA-Local-Plan.pdf>

Recommendation

CEO Council action is requested to approve the Charter SELPA Annual Budget and Service Plans for 2020-21.



Charter SELPA CEO Council Meeting – 5-21-20
Allocation Plan Alignment – Income Reallocation
Attachment 9

Allocation Plan Alignment – Income Reallocation

Issue

SELPA Administration recommends amending Element 8 of the Charter SELPA Allocation Plan to clarify the authority to re-allocate income between LEAs.

Recommendation

CEO Council action is requested to consider and approve the revisions as follows to the Charter SELPA Allocation Plan, Element 8 (revisions highlighted in red):

Charter SELPA Allocation Plan 2019-20

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8. INCOME REALLOCATION

Intent

Organization Partners (See Element 4/Partner Definition) may have varying needs among their schools and should be provided the flexibility to re-allocate funds among the entities to better match income to special education expenditures. ~~CEO Council approved additional flexibility for JPAs, should the structure of the JPA provide the authority to re-allocate funds.~~

Charter SELPA Formula

At the close of the fiscal year, an Organization Partner ~~or JPA~~ may re-allocate state and federal funds to the LEAs within their authority, if the Organization Partner ~~or JPA~~ has the authority within their operational structure to take such action.

EC Section 56836.05(b) provides authority to SELPAs to develop an Allocation Plan at the SELPA governance level, to distribute funds to the LEAs within the SELPA. The Charter SELPA Allocation Plan distributes funds to each charter (CDS code) in the SELPA. However, pursuant to this Allocation Plan rule approved by CEO Council, a provision is made for the local authority of the Organization Partner ~~or JPA~~ to re-allocate income among Charter SELPA LEA members.

The final reallocation will occur in the months of August and September following the close of a fiscal year with final reallocation done by October 1. Evidence of board action to establish income reallocation authority is required and documentation must be submitted to the Charter SELPA in a prescribed format that outlines the exact amount of funding moved from one LEA to other LEA(s).



Legal Risk Pool/Allocation Plan Amendment to Elements 10 and 7

Issue

The primary funding source for the Legal Risk Pool has been decreasing while the number of claims has increased. Given the increase in claims and the lack of a reliable revenue stream to draw from, the pool will be unable to support another year of claims at the conclusion of the 2019-20 school year.

Background

CEO Council established the Legal Risk Pool in 2013-14. The funding sources for the pool are:

1. Funding from Charter SELPA Partners in the process of building programs that are not yet able to fully expend the allocation of state dollars (greater than 25% unspent).
2. Funding from Charter SELPA Partners that close operations but fail to submit documentation allowing for release of state funds being held.

The CEO Council took action in October 2018 to lower the reimbursement rate from 60% to 50% in order to extend the life of the pool through the end of the current year.

Analysis

Legal Risk Pool		A	B	C
		2017-18 Final	2018-19 Final	2019-20 Projected
1	Transfer from Other Pools	111,371	262,579	
2	Forfeited State Funds	5,189	26,862	209,194
3	Cancelled PY Pending Awards	-	37,559	-
4	Total Revenue	\$ 116,560	\$ 327,000	\$ 209,194
5	Total Awards	363,841	384,019	450,000
6	Contribution to Other Pools	-	500,000	-
7	Total Expenditures	\$ 363,841	\$ 884,019	\$ 450,000
8	Income Less Expenditures	\$ (247,281)	\$ (557,019)	\$ (240,806)
9	Beginning Balance	\$ 1,145,230	\$ 897,949	\$ 340,930
10	Ending Balance	\$ 897,949	\$ 340,930	\$ 100,124

With projected revenue of \$209K (cell C2) and assuming only a modest increase in claims to \$450K (cell C7), the ending balance is estimated to be only \$100K (cell C10). This would not be sufficient to cover another year of claims.

The two revenue sources to the pool (unspent funds and unclaimed funding) are essentially the only way to fund the Legal Risk Pool at this time without reducing revenue to SELPA partners. Given the uncertainty regarding the economy and instability of the state budget, it is not advisable to reduce base special education funding to maintain the legal risk pool.

An amendment must be made to Allocation Plan Element 10/Legal Risk Pool approving the suspension of the Legal Risk Pool beginning in 2020-21 and directing that any remaining balance at the end of 2019-20 be directed to the Set-Aside Risk Pool

A corresponding amendment must be made to Allocation Plan Element 7/Unspent Funds. Currently, the language directs any remaining unspent funds balances to the Legal Risk Pool.

Recognizing the ongoing need for resources to mitigate the cost associated with litigation, SELPA administration will revisit the viability of the Legal Risk Pool and present a recommendation to CEO Council should resources become available.

Recommendation

CEO Council is requested to consider and approve the following actions in connection with suspension/discontinuation of the Legal Risk Pool:

1. Suspend/discontinue the Legal Risk Pool at the conclusion of the 2019-20 school year and transfer any remaining balance to the Set-Aside Risk Pool.
2. Consider and approve the revisions as follows to the Charter SELPA Allocation Plan, Element 10 (revisions highlighted in red):

Charter SELPA Allocation Plan 2019-20

10. LEGAL RISK POOL (SUSPENDED MAY 2020)

Intent

CEO Council established a risk pool in 2013-14, with the primary intent to fund legal costs associated with a due process filing.

Funds in the legal risk pool come from two sources:

1. Modified funding from Charter SELPA Partners who are in the process of building programs and are not yet able to fully expend

- the allocation of state dollars (greater than 25% unspent).
2. Modified funding from Charter SELPA Partners who close operations and fail to submit documentation that would allow for release of funds being held.

CEO Council (May 2016) approved a transfer of \$200K to the new Set-Aside Risk Pool and the risk pool balances are now specifically identified as a Legal Risk Pool.

CEO Council (May 2017) approved a transfer of \$500K to the Rate-Smoothing Pool.

CEO Council (May 2020) approved suspension of the Legal Risk Pool beginning in 2020-21 and directed that any remaining balance at the end of 2019-20 be directed to the Set-Aside Risk Pool.

3. Consider and approve the revisions as follows to the Charter SELPA Allocation Plan, Element 7 (revisions highlighted in red):

Charter SELPA Allocation Plan 2019-20

7. UNSPENT FUNDS

Intent

The Charter SELPA recognizes that special education funding in California is not sufficient to cover the total costs of special education. On a statewide basis, LEAs pay for approximately 40% of the costs of special education from local sources. There are unique circumstances where an LEA may have unspent funds. A new charter joining the SELPA may not have the level of special education costs experienced by other LEAs. Additionally, some charters by the nature of the students they serve may have special education costs that are below the statewide averages, and their special education student population may be below Charter SELPA averages.

Charter SELPA Formula (Revised October 2018)

When an LEA has unspent funds **less than 25%** of their special education allocation (allocation as adjusted at year end close by September 30):

- a. All charters with unspent funds must provide budget justification to receive federal funds in the next year.
- b. Charters with unspent funds will be subject to significant budget and program review to determine if they qualify for federal funds in the following year.

Additional factors that may result in ineligibility to receive federal funds:

- Pupil counts less than 4%
- Multiple years of unspent funds
- Fiscal solvency and audit issues
- Leadership issues that cast doubt on the capacity of the charter to be an LEA

A charter may also opt out of federal funds for an unspecified period of time until needs change.

When an LEA has unspent **funds greater than 25%** of their special education allocation (allocation as adjusted at year end close by September 30):

- Charters with unspent funds greater than 25% may not be eligible for federal funds in the following year. If need is demonstrated, based on an understanding of the charter's plans and submitted budgets, the Charter SELPA may establish eligibility for federal funding.
- A charter with unspent funds greater than 25% unspent will be moved to a reimbursement-based state funding cash flow, with the intent that the charter shall spend the prior year unspent funds first. Charter SELPA shall establish a procedure and process to ensure monthly expenditure reporting by the charter, with timely distribution of cash when the charter has demonstrated eligibility by spending prior year carryover. Monthly cash flow payments would not exceed cash distributions under the monthly cash apportionment process.
- If need is not demonstrated, based on final expenditures reported, ~~the funds may be allocated to the Charter SELPA Legal Risk Pool~~ Charter SELPA administration will make a recommendation to CEO Council on the use of the funds.