

**COLUMBIA PREPARATORY ACADEMY OF TECHNOLOGY AND ART  
CHARTER PETITION  
Findings of Fact for Denial of Petition  
By the Los Angeles Unified School District**

July 12, 2011

<p>The charter review process requires the authorizer to evaluate whether the charter petition meets the criteria for approval. Education Code Section 47605 (b) states the required petition elements and conditions for denial. Education Code Section 47605 outlines additional petition criteria.</p>
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**The Petition of Columbia Preparatory Academy of Technology and Art Charter School (“CPATA” or “Charter School”) does not meet the criteria under Education Code section 47605(b).**

Education Code section 47605(b) states: A school district governing board shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. Education code section 47605(b) provides that the governing board shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:

- (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 by subdivision (a) of Education Code 47605.
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d) of Education Code 47605.
- (5) The petition does not contain a reasonably comprehensive description of all required elements.

**LAUSD’s analysis of the charter petition submitted on or about February 18, 2011 to LAUSD by CPATA indicates:**

**Regarding #2 above:**

**The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition:**

- The petitioners have presented an unrealistic financial and operational plan for the proposed charter school.

(a) The Charter School's planning budget assumes receipt of the Public Charter School Grant Program's (PCSGP) maximum planning and implementation award of \$575,000 (\$225,000 year 1, \$200,000 year 2, and \$150,000 year 3). For classroom-based charter schools submitting applications during the 2010-2015 application filing period, the maximum funding level is \$375,000, unless applicant schools meet additional criteria to qualify for the higher maximum amount of \$575,000. Specifically, a higher grant award may be available to a charter school if: (1) the charter school is located in, or a majority of the students served by the charter school reside, in an attendance area of a school that has been determined to be persistently lowest-achieving, or eligible for Title I School Improvement Grant funding; or (2) the charter school is located in, or a majority of the students served by the charter school reside in, an attendance area of a school that is in Program Improvement ("PI") Year 3, 4 or 5, and has an API decile rank of 1 or 2. Whether or not the Charter School will receive the grant may depend on the school attendance area in which the Charter School is located. Since the Charter School has not identified where the Charter School will specifically locate, it is difficult to determine whether the Charter School will meet the criteria to qualify for the maximum PCSGP award. In addition, the State Superintendent of Public Instruction, Mr. Tom Torlakson, issued a letter on May 19, 2011 that clearly indicates that the awarding of the Public Charter Schools Grant is not guaranteed but is done by an evaluation process based on the application and the charter petition. The grant money should not be considered as a guaranteed source of funds.

Since the Charter School's budget includes the Charter School's receipt of the maximum PCSGP award as a significant revenue source, and the Charter School does not include an alternative funding plan in the event the Charter School is not awarded some/all of these monies, should it not receive the grant amount of funds its budget assumes, the ability of the Charter School to successfully implement its program will be impacted.

(b) The Charter School's planning budget includes receipt of "Other Local Revenues" as startup funding in the amount of \$250,000 without providing sufficient details regarding the source(s) of these other revenues or any evidence demonstrating that such funding will actually be available to the Charter School. Since these revenue amounts represent a significant portion of the Charter School's budget, and the Charter School relies solely on these unidentified local revenue source(s) for its start-up funding, should the Charter School not receive the amount of funds it assumes, it is unlikely that the Charter School will be able to meet its financial obligations severely impacting its ability to successfully operate the School. On page 7, the petition states: "CPATA has secured a loan from Fred Jefferson Memorial Home for Boys for \$250,000 for start-up expenses." The Innovation and Charter Schools Division requested a legal opinion from the attorney for the

Fred Jefferson Memorial Home for Boys. The attorney's (Linda Kollar) opinion was that the Fred Jefferson Memorial Home for Boys could not legally make the loan. This demonstrates a lack of fiscal due diligence on the part of the petitioners. Other documents have been submitted suggesting start-up funds will be made available through personal loans from three separate, individual benefactors, but the supporting documentation is insufficient to guarantee these loans.

- (c) The Charter School's budget assumes receipt of \$65,000 over five years for "fundraising," but provides no information regarding the source of these funds or any information regarding the likelihood that the Charter School will actually be able to obtain such funds.
  - (d) The planning budget submitted with the petition does not reflect an annual reserve of the Charter School's expenditures sufficient to satisfy Title 5, California Code of Regulations, section 15450(a). The planning budget states: "Cash Reserve Requirement (5% of Categorical and Block Grants)", not 5% of "expenditures." Total expenditures in year 1 are \$1,124,508 and budgeted reserve amount is \$29,363 which is not 5% or \$55,000, whichever is greater, as required by 15450.
  - (e) The cash flow for the first year of operation does not balance with the budget.
- The petition fails to sufficiently identify where the Charter School intends to locate as required by Education Code section 47605(g). While the petition indicates that the Charter School's targeted neighborhood is Carson, California, it fails to specifically identify where it will locate. Without this information it is not possible for the District to evaluate whether the Charter School has properly budgeted for its facilities costs.
  - In an interview of the school's proposed board by Innovation and Charter School Division staff held on April 25, 2011, the proposed board did not demonstrate an adequate understanding of the proposed educational program and the resources that it will take to realize that program. For example, one proposed board member stated that the most innovative feature of the proposed school would be the prevalence of technology and she stated that every classroom would have at least 15 computers for student use. However, the submitted start-up budget funds the purchase of computers at the rate of only 1 per 10-20 students. The projected Year 1 budget earmarks only \$18,000 for non-capitalized equipment like computers, printers, and servers. The gap between the proposed focus on technology and the dollars budgeted for technology is considerable.

**Regarding #5 above:**

**The petition does not contain a reasonably comprehensive description of all of the elements required in EC § 47605 (b) based on the following findings of fact:**

***Description of the School's Educational Program (Element 1)***

*The petition does not contain a reasonably comprehensive description of the charter school's educational program.*

- In an interview of the school’s proposed Principal and Executive Director by Innovation and Charter Schools Division staff held on April 25, 2011, the proposed school leaders stated that the school may offer a dual immersion program, but the petition makes no mention of this possibility and does not demonstrate the level of planning necessary to launch such a program.

***Governance Structure (Element 4)***

*The petition does not contain a reasonably comprehensive description of the charter school’s governance structure.*

- The petition’s description of the CPATA corporate board of directors’ membership is inconsistent with the CPATA Bylaws submitted with the petition. For instance, the petition and Bylaws inconsistently specify how many members are currently on the board and the maximum number of directors to sit on the board. Additionally, the petition and Bylaws are inconsistent regarding board members’ term of office.
- The petition does not include an organizational chart that shows the relationship of the governing board to the leadership of the school, as well as any relevant site committees.
- Brown Act. The Charter School fails to provide sufficient assurance that the Charter School will comply with the Brown Act. While the petition specifies that the Charter School will comply with the Brown Act, the CPATA corporate board’s Bylaws allow the corporate board to operate in a manner which is inconsistent the requirements of the Brown Act. For instance, Bylaws Article III, Section 9 provides that board meetings may be held any place within California. The Brown Act requires that all regular and special meetings be held within the boundaries of the territory over which the board has jurisdiction. Additionally, even though the Bylaws state that all special and emergency meeting notice requirements will comply with the terms and provisions of the Brown Act, the Bylaws confusingly state that notice of the time and place of special and emergency meetings shall be given to all media who have provided written notice to the “El Camino Technology and Arts Academy,” calling into question whether the required meeting notice requirements will be followed by the CPATA corporate board.
- Conflict of Interest. The CPATA corporate board’s Bylaws and Conflict of Interest policy allow for practices that may run contrary to conflict of interest laws including Government Code section 1090 *et seq.* and LAUSD policy. For instance, the Bylaws allow up to 49% of the board of directors to be "interested persons" which may conflict with the restrictions of Government Code section 1090 *et seq.* Additionally, the Bylaws specify that directors may receive compensation for their services as directors. Board member compensation is a material financial interest, and as such, the board of directors may not approve any action providing for their compensation without running afoul of conflict of interest statutes.

Additionally, the petition indicates that the Charter School’s Principal will be an active member of the “Education Board.” Assuming the petition is referencing the Charter

School's corporate board, having the Principal, as a paid employee of the Charter School, sit on the board may result in a violation of Government Code 1090 *et seq.*

**Employee Qualifications (Element 5)**

*The petition does not contain a reasonably comprehensive description of employee qualifications.*

- The petition fails to consistently acknowledge that the Charter School will not discriminate against qualified applicants or employees on the basis of race, color, religion, sex, gender identity, sexual orientation, pregnancy, national origin, ancestry, citizenship, age, marital status, physical disability, mental disability, medical condition, or any other characteristic protected by California or federal law and that equal employment opportunity shall be extended to all aspects of the employer-employee relationship, including recruitment, hiring, upgrading, training, promotion, transfer, discipline, layoff, recall, and dismissal from employment.
- The petition fails to provide an assurance that current copies of teacher credentials maintained by the Charter School will be readily available for inspection.

**Health and Safety Procedures (Element 6)**

*The petition does not contain a reasonably comprehensive description of the charter school's health and safety procedures.*

- The petition fails to assure that the Charter School will provide for the screening of its students for scoliosis to the same extent as would be required if the students were attending a non-charter public school.
- The petition states that all staff shall honor the district's requirement for periodic tuberculosis tests every four years using the Manitou tuberculosis test, but does not specifically affirm that the Charter School will require its employees to be examined for tuberculosis in the manner described in Education Code section 49406.

**Means to Achieve a Reflective Racial and Ethnic Balance (Element 7)**

*The petition does not contain a reasonably comprehensive description of the means for achieving racial and ethnic balance.*

- The petition inconsistently describes the Charter School's annual outreach efforts for achieving and maintaining a racial and ethnic balance among its students that is reflective of the general population residing within the territorial jurisdiction of LAUSD. Additionally, the petition fails to sufficiently describe how its outreach efforts will attain a racial and ethnic balance at the Charter School that is reflective of LAUSD.
- The petition fails to describe the specifics of the Charter School's written plan to achieve and maintain LAUSD's ethnic balance ratio goal pursuant to the Crawford Court Order, including dates and locations of meeting and events.

**Admission Requirements (Element 8)**

*The petition does not present a reasonably comprehensive description of admission requirements.*

- The petition fails to consistently affirm, as required under Education Code section 47605(d)(1), that the Charter School shall not discriminate against any pupil for any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code.
- The petition fails to include a reasonably comprehensive description of the manner in which the Charter School will implement a public random drawing in the event that applications for enrollment exceed school capacity. For instance, the petition fails to sufficiently address the method the school will use to verify lottery procedures are fairly executed, the date and time the lottery will occur, the efforts the school will undertake to ensure all interested parties may observe the lottery, and the means and timelines by which parents/guardians of students promoted off the waiting list must respond in order to secure admission.
- The petition fails to acknowledge the Charter School's obligation to give preference in the lottery to students who reside in LAUSD as required by Education Code section 47605, and fails to sufficiently describe how admission preference will be given to siblings of students already enrolled in the Charter School.

**Annual Independent Financial Audits (Element 9)**

*The petition does not present a reasonably comprehensive description of annual independent financial audits.*

- The petition fails to specify who is responsible for contracting and overseeing annual independent financial audits and fails to specify that the auditor whom the Charter School will contract with to conduct an independent audit will have experience in education finance.
- The petition fails to describe the plans and systems to be used by the Charter School to provide information for an independent audit.
- The petition fails to specify the timeline by which annual audit exceptions will typically be resolved by the Charter School.

**Suspension and Expulsion Procedures (Element 10)**

*The petition does not present a reasonably comprehensive description of student suspension and expulsion procedures.*

- The petition fails to provide a reasonably comprehensive description of its student suspension and expulsion procedures. Clearly described/outlined procedures are necessary to avoid inconsistent, capricious, and unfair student disciplinary practices and necessary to afford students adequate due process. For instance, the petition fails to

identify any offenses for which students must (where non-discretionary) and may (where discretionary) be suspended and separately, the offenses for which students must or may be recommended for expulsion, fails to identify any student suspension and expulsion procedures, and fails to sufficiently address student suspension and expulsion appeal rights.

- The petition fails to sufficiently acknowledge and describe the Charter School's obligation to submit information to LAUSD's Innovation and Charter Schools Division after a student is expelled from the Charter School.
- The petition's description of the Charter School's procedures for the discipline of students with disabilities fails to conform with reasonably comprehensive policy and procedures which LAUSD has determined to be necessary and appropriate to align with discipline of students under the IDEA.

**STRS, PERS, and Social Security Coverage (Element 11)**

*The petition does not present a reasonably comprehensive description of STRS, PERS, and social security coverage.*

- The petition fails to clearly identify which retirement system will be provided to certificated employees of the Charter School.
- The petition fails to identify which Charter School staff members(s) will be responsible for ensuring that appropriate arrangements for STRS, PERS, or Social Security coverage are made.