

California Department of Education
2005-06 CHARTER SCHOOL PETITION REVIEW FORM

Petitioner

Cypress Grove Charter High School for Arts & Sciences

This form is a tool to evaluate a charter school petition submitted to the State Board of Education (SBE) on appeal. It is designed to ensure that the petition is reviewed in relation to the requirements of statute and regulation.

Evaluator

Greg Geeting

OVERALL CALIFORNIA DEPARTMENT OF EDUCATION (CDE) EVALUATION

Cypress Grove Charter High School for Arts & Sciences (Cypress Grove) has been in operation since August 2001. Chartered by the Monterey Peninsula Unified School District (MPUSD), Cypress Grove is a locally funded and relatively small school, reporting enrollment of 166 in 2005-06. By comparison, MPUSD's two comprehensive high schools, Monterey High and Seaside High, have enrollments of about 1,350 each. Cypress Grove has consistently maintained a statewide API ranking of at least 6, and the school achieved a statewide API ranking of 9 this past year. [Cypress Grove does not have sufficient test takers to qualify for a similar schools API ranking.] The school has greatly exceeded its API growth targets in the past testing two cycles, 2003-04 and 2004-05.

Cypress Grove unquestionably meets the minimum academic threshold for renewal established in *Education Code (EC)* Section 47607. However, renewal of the Cypress Grove charter was nonetheless denied by the MPUSD on February 21, 2006, and denied (upon appeal) by the Monterey County Board of Education on May 17, 2006. The MPUSD governing board based its denial on the petitioners being demonstrably unlikely to successfully implement the program, citing several specific issues, including the following:

- Cypress Grove has consistently denied MPUSD staff access to the school's financial records.
- The school is two years in arrears (2003-04 and 2004-05) in presenting independent annual audits to the MPUSD.
- The school apparently had a significant audit exception in preliminary findings for 2003-04 with liabilities exceeding assets by approximately \$162,800.
- The school has a history of relying on one-time or unstable revenues for ongoing expenditures.
- There have been instances of violating appropriate internal control practices as regards issuance of checks.

In written responses, Cypress Grove disputes many of the MPUSD's reasons for denial of the charter renewal, contending in some cases that the MPUSD shares responsibility for any deficiencies in financial recordkeeping.

The Monterey County Board of Education based its denial of Cypress Grove's renewal appeal on two reasons. The first (like the MPUSD governing board) was that the petitioners are demonstrably unlikely to successfully implement the program. The County Board cited several specific issues, including the following:

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- Inadequate description of the structure for providing administrative services.
- Insufficient evidence that Cypress Grove plans to employ staff with necessary business expertise.
- No plan or timeline to develop and assemble necessary expertise.
- Lack of criteria for selection of a contractor for business services.
- No budget projection for the costs of contracting for administrative services.
- A negative balance entering 2005-06 shown in the school's own Multi-Year Budget Summary.
- Overly optimistic revenue projections based on the school's financial history.

The County Board's second reason for denial was that the petition does not contain reasonably comprehensive descriptions of some required charter elements. Specific issues cited included the following:

- Inconsistency as regards independent ("home based") study.
- Insufficient research references.
- Lack of assurance that necessary insurance coverage will be maintained.
- No listing of "core" courses.
- Unclear regarding qualifications for teachers of English learners.
- Lack of detail on employee status and benefits.
- Lack of specificity regarding compliance with the California Building Code and the Americans with Disabilities Act.
- Limitations on charter authorizer intervention in internal disputes.
- Proposed admission preferences that appear inconsistent with law.
- Lack of criteria to be used by the school's Audit Committee in selecting an independent auditor.

Cypress Grove disputed some of the County Board's concerns, and proposed changes in the charter to address others.

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Cypress Grove's record of academic success has been impressive, although in fairness it should be noted that the demographic characteristics of the school's students are considerably different from those of the MPUSD's comprehensive high schools. For example, Cypress Grove's student body has a significantly smaller proportion of English learners and of special education students, and a significantly higher proportion of students who are white. In the 2005 state testing cycle, none of Cypress Grove's students qualified as socioeconomically disadvantaged, whereas about 45 percent of the test takers at Monterey High and Seaside High Schools were socioeconomically disadvantaged.

Cypress Grove's financial situation does give significant reason for concern. The lack of final audits for 2003-04 and 2004-05 (as required by the school's charter) is a serious problem. The school's own figures submitted with the appeal indicate that Cypress Grove entered the 2005-06 fiscal year with a deficit of \$43,167. However, without a final audit for 2004-05, it is difficult to verify the accuracy of this figure; the deficit may be higher. The school's own figures (as of December 2005) indicate that the carryover deficit would be cleared up during 2005-06, leaving a positive balance (reserve) of roughly three percent of projected revenues. However, it should be noted that the school's projected positive balance (reserve) for 2005-06 fell precipitously between the October 2005 (\$177,825) and December 2005 (\$33,748). The school, the MPUSD, and the County Office vary widely in their estimates of the school's actual fiscal situation. To address the uncertainties, Cypress Grove recently requested that the Fiscal Crisis and Management Assistance Team (FCMAT) perform an independent review of the school's financials. The results of the FCMAT review are expected no earlier than June 22, 2006, and a summary will be provided as a supplement to this analysis.

If the FCMAT review finds that the school has no deficit and has sound financial practices, then CDE staff's primary recommendation would be that the MPUSD governing board (or Monterey County Board of Education) reconsider its denial of the renewal. Only if it is determined that renewal at the local level (through the process of reconsideration) is not possible would CDE staff then propose that the ACCS consider recommending (and the SBE consider approving) renewal of the charter at the state level. If the ACCS wishes to recommend that the Cypress Grove charter be renewed (and/or if the SBE actually renews the charter), CDE staff recommend that the renewal recommendation/action incorporate both:

- Authority for the CDE to work out appropriate amendments to the charter to reflect the SBE as the charter authorizer and to address concerns noted herein and as may be identified in the consideration before the ACCS and/or the SBE.
- The various conditions prior to opening and operation that the SBE traditionally includes in its charter approval actions, to be consolidated in a memorandum of understanding between Cypress Grove and the CDE, along with any other provisions necessary for the CDE's effective oversight of the school (on behalf of the SBE) that are not included in the charter itself.

However, if the FCMAT review finds that the school is in deficit and/or lacks sound financial practices, then CDE staff recommend that the appeal of the renewal be denied because the petitioners are demonstrably unlikely to successfully implement (sustain) the program. Neither the SBE nor the CDE has financial reserves that can be tapped to fund operating deficits that a school might bring with it into a charter-renewal relationship with the SBE. Moreover, the lack of sound financial practices would provide sufficient reason for denial of the renewal request.

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REQUIREMENTS FOR SBE-AUTHORIZED CHARTER SCHOOLS, PURSUANT TO EC SECTION 47605

SOUND EDUCATIONAL PRACTICE	EC Section 47605(b) CCR, Title 5, Section 11967.5.1(a)
Evaluation Criteria For purposes of <i>EC</i> Section 47605(b), a charter petition shall be “consistent with sound educational practice” if, in the SBE’s judgment, it is likely to be of educational benefit to pupils who attend. A charter school need not be designed or intended to meet the educational needs of every student who might possibly seek to enroll in order for the charter to be granted by the SBE.	
Is the charter petition “consistent with sound educational practice”?	Uncertain
Comments: Although the petitioners have a track record of success from an educational standpoint, operation of the school in such manner as to expend a greater amount than the school collects in revenue would create a situation in which the school would be unlikely to sustain the educational benefit to the pupils who attend. If the chartering authority (SBE) becomes satisfied that approving the charter renewal is “consistent with sound educational practice,” then <i>EC</i> Section 47605(b) specifies the chartering authority “shall grant” the petition.	
UNSOUND EDUCATIONAL PRACTICE	EC Section 47605(b)(1) CCR, Title 5, Section 11967.5.1(b)
Evaluation Criteria For purposes of <i>EC</i> Section 47605(b)(1), a charter petition shall be “an unsound educational program” if it is either of the following: (1) A program that involves activities that the SBE determines would present the likelihood of physical, educational, or psychological harm to the affected pupils. (2) A program that the SBE determines not to be likely to be of educational benefit to the pupils who attend.	
Does the charter petition present “an unsound educational program”?	Uncertain
Comments: As discussed above, the school’s financial situation (now being reviewed by FCMAT) makes it speculative as to whether the educational benefit to the pupils can be sustained. It must be clear that the school is organized in such a way that ongoing expenses (i.e., staffing, facility costs, consumable supplies) can be met through the charter school general purpose and categorical block grant revenues that can be reasonably expected, not through unrealistic increases in average daily attendance or philanthropy.	

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DEMONSTRABLY UNLIKELY TO IMPLEMENT THE PROGRAM	EC Section 47605(b)(2) CCR, Title 5, Section 11967.5.1(c)
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Evaluation Criteria
 For purposes of *EC* Section 47605(b)(2), the SBE shall take the following factors into consideration in determining whether charter petitioners are "demonstrably unlikely to successfully implement the program."
 (1) If the petitioners have a past history of involvement in charter schools or other education agencies (public or private), the history is one that the SBE regards as unsuccessful, e.g., the petitioners have been associated with a charter school of which the charter has been revoked or a private school that has ceased operation for reasons within the petitioners' control.
 (2) The petitioners are unfamiliar in the SBE's judgment with the content of the petition or the requirements of law that would apply to the proposed charter school.
 (3) The petitioners have presented an unrealistic financial and operational plan for the proposed charter school (as specified).
 (4) The petitioners personally lack the necessary background in the following areas critical to the charter school's success, and the petitioners do not have plan to secure the services of individuals who have the necessary background in curriculum, instruction, assessment, and finance and business management.

Are the petitioners "demonstrably unlikely to successfully implement the program"?	Yes
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Comments:
 Insufficient information is provided (or otherwise available) to determine that the financial and operational plan is realistic.

REQUIRED NUMBER OF SIGNATURES	EC Section 47605(b)(3) CCR, Title 5, Section 11967.5.1(d)
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Evaluation Criteria
 For purposes of *EC* Section 47605(b)(3), a charter petition that "does not contain the number of signatures required by [law]"...shall be a petition that did not contain the requisite number of signatures at the time of its submission...

Did the petition contain the required number of signatures at the time of its submission?	Yes
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Comments:
 Cypress Grove has been operational since August 2001. The issue is whether to renew the charter. This specific provision must be presumed to have been satisfied.

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AFFIRMATION OF SPECIFIED CONDITIONS	EC Section 47605(b)(4) EC Section 47605(d) CCR, Title 5, Section 11967.5.1(e)
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Evaluation Criteria
 For purposes of *EC* Section 47605(b)(4), a charter petition that "does not contain an affirmation of each of the conditions described in [*EC* Section 47605(d)]" ...shall be a petition that fails to include a clear, unequivocal affirmation of each such condition. Neither the charter nor any of the supporting documents shall include any evidence that the charter will fail to comply with the conditions described in *EC* Section 47605(d).

(1) ...[A] charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against any pupil on the basis of ethnicity, national origin, gender, or disability. Except as provided in paragraph (2), admission to a charter school shall not be determined according to the place of residence of the pupil, or of his or her parent or guardian, within this state, except that any existing public school converting partially or entirely to a charter school under this part shall adopt and maintain a policy giving admission preference to pupils who reside within the former attendance area of that public school.

(2) (A) A charter school shall admit all pupils who wish to attend the school.

(B) However, if the number of pupils who wish to attend the charter school exceeds the school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the district except as provided for in Section 47614.5. Other preferences may be permitted by the chartering authority on an individual school basis and only if consistent with the law.

(C) In the event of a drawing, the chartering authority shall make reasonable efforts to accommodate the growth of the charter school and, in no event, shall take any action to impede the charter school from expanding enrollment to meet pupil demand.

(3) If a pupil is expelled or leaves the charter school without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days, and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including a transcript of grades or report card, and health information. This paragraph applies only to pupils subject to compulsory full-time education pursuant to [*EC*] Section 48200.

Does the charter petition contain the required affirmation?	Incomplete
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Comments:
 The charter contains an affirmation of most of the conditions set forth in *EC* Section 47605(d), but not all. The charter also appears to be inconsistent with the statute in relation to admission preferences. In order to comply with the regulation, **each condition** in *EC* Section 47605(d) needs to be affirmed. No affirmation related to paragraph (3) could be found, which is understandable given that paragraph (3) is a fairly new addition to *EC* Section 47605(d). This particular affirmation should be incorporated in the charter. As regards admission preferences, the statute

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AFFIRMATION OF SPECIFIED CONDITIONS	EC Section 47605(b)(4) EC Section 47605(d) CCR, Title 5, Section 11967.5.1(e)
<p>demands preferences both for continuing students and for students of the district. The charter (page 39) appears to incorporate a preference for the former, but not the latter. Any preferences also need to be thought through in relation to federal provisions related to the Public Charter School Grant Program. Preferences other than those required by law (for continuing students and students of the district) would require specific approval by the SBE.</p>	

THE SIXTEEN CHARTER ELEMENTS

1. DESCRIPTION OF EDUCATIONAL PROGRAM	EC Section 47605(b)(5)(A) CCR, Title 5, Section 11967.5.1(f)(1)
Evaluation Criteria	
The description of the educational program..., as required by <i>EC Section 47605(b)(5)(A)</i> , at a minimum:	
(A) Indicates the proposed charter school's target student population, including, at a minimum, grade levels, approximate numbers of pupils, and specific educational interests, backgrounds, or challenges.	Yes
(B) Specifies a clear, concise school mission statement with which all elements and programs of the school are in alignment and which conveys the petitioners' definition of an "educated person" in the 21 st century, belief of how learning best occurs, and goals consistent with enabling pupils to become or remain self-motivated, competent, and lifelong learners.	Yes
(C) Includes a framework for instructional design that is aligned with the needs of the pupils that the charter school has identified as its target student population.	Generally
(D) Indicates the basic learning environment or environments (e.g., site-based matriculation, independent study, community-based education, technology-based education).	Yes
(E) Indicates the instructional approach or approaches the charter school will utilize, including, but not limited to, the curriculum and teaching methods (or a process for developing the curriculum and teaching methods) that will enable the school's pupils to master the content standards for the four core curriculum areas adopted by the SBE pursuant to <i>EC Section 60605</i> and to achieve the objectives specified in the charter.	Generally
(F) Indicates how the charter school will identify and respond to the needs of pupils who are not achieving at or above expected levels.	Yes

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1. DESCRIPTION OF EDUCATIONAL PROGRAM	<i>EC Section 47605(b)(5)(A) CCR, Title 5, Section 11967.5.1(f)(1)</i>
(G) Indicates how the charter school will meet the needs of students with disabilities, English learners, students achieving substantially above or below grade level expectations, and other special student populations	Yes
(H) Specifies the charter school's special education plan, including, but not limited to, the means by which the charter school will comply with the provisions of <i>EC</i> Section 47641, the process to be used to identify students who qualify for special education programs and services, how the school will provide or access special education programs and services, the school's understanding of its responsibilities under law for special education pupils, and how the school intends to meet those responsibilities.	No
If serving high school students, describes how district/charter school informs parents about: <ul style="list-style-type: none"> • transferability of courses to other public high schools; and • eligibility of courses to meet college entrance requirements (Courses that are accredited by the Western Association of Schools and Colleges (WASC) may be considered transferable, and courses meeting the UC/CSU "a-g" admissions criteria may be considered to meet college entrance requirements.)	Yes
Does the petition overall present a reasonably comprehensive description of the educational program?	Incomplete
<p>Comments (on educational program as a whole): The charter's framework for instructional design is solid (e.g., promote high standards, infuse core subjects with arts and sciences, emphasize personalized attention). However, the framework is general, not necessarily aligned with the specific student population targeted by the school. Given the school's record of academic achievement, the framework may not need to be modified.</p> <p>The charter indicates Cypress Grove's intent "to explore the option" of offering independent study (page 17). To date, the SBE has not approved a charter for an independent study school (in whole or in part). The SBE may wish to have this provision removed from the charter.</p> <p>The charter reflects the school's intent to continue to be a school of the MPUSD for special education purposes. The charter is thus rather brief and lacking in detail as regards special education. The charter indicates essentially that the school will "follow the District and SELPA policies and procedures" and "comply with District protocol as to the delineation of duties." If this charter is renewed by the SBE, this section should be rewritten to include more detail consistent with the regulation, e.g., the actual process used to identify students, specifically how programs and services will be delivered, and clear statements as to the school's responsibilities. SELPA participation arrangements would have been made for the school on a very short time line if the charter were to be renewed by the SBE; verification of SELPA participation is among the conditions prior to opening and operation that are traditionally included by the SBE in motions to approve charters.</p>	

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2. MEASURABLE PUPIL OUTCOMES	EC Section 47605(b)(5)(B) CCR, Title 5, Section 11967.5.1(f)(2)
Evaluation Criteria	
Measurable pupil outcomes, as required by EC Section 47605(b)(5)(B), at a minimum:	
(A) Specify skills, knowledge, and attitudes that reflect the school's educational objectives and can be assessed, at a minimum, by objective means that are frequent and sufficiently detailed enough to determine whether pupils are making satisfactory progress. It is intended that the frequency of objective means of measuring pupil outcomes vary according to such factors as grade level, subject matter, the outcome of previous objective measurements, and information that may be collected from anecdotal sources. To be sufficiently detailed, objective means of measuring pupil outcomes must be capable of being used readily to evaluate the effectiveness of and to modify instruction for individual students and for groups of students.	Generally
(B) Include the school's Academic Performance Index growth target, if applicable.	Yes
Does the petition present a reasonably comprehensive description of measurable pupil outcomes?	Yes
Comments:	
<p>The charter lists pupil outcomes that are largely based upon statewide testing results, STAR and CAHSEE. Also identified are as measurable pupil outcomes are classroom attendance, attendance (subsequent to graduation) of Cypress Grove students in two- and four-year postsecondary institutions, and GPAs. AYP is listed as a measurable pupil outcome, but it is only marginally relevant for purposes of this section, and the SBE may wish to request that it be removed. One drawback to substantial reliance on STAR and CAHSEE is that achievement data, for the most part, are reported only annually and typically after the year ends. Presumably, the school monitors student achievement during the year, but the benchmarks for doing so are only implied not explicit. This section does not reference achievement as measured by the CELDT or the PFT.</p> <p>The target for classroom attendance (i.e., exceeding the District average) is vague and potentially variable from year to year; firm benchmarks may be more appropriate. Growth in the GPA as a measurable outcome may be inappropriate in that reliance on the GPA for this purpose may inadvertently promote "grade-flation" over time.</p> <p>Cypress Grove's 2005 base API is 766. The schools API growth target for 2005-06 (i.e., the testing conducted during spring 2006) is two points.</p>	

3. METHOD FOR MEASURING PUPIL PROGRESS	EC Section 47605(b)(5)(C) CCR, Title 5, Section 11967.5.1(f)(3)
Evaluation Criteria	
The method for measuring pupil progress, as required by EC Section 47605(b)(5)(C), at a minimum:	

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3. METHOD FOR MEASURING PUPIL PROGRESS	EC Section 47605(b)(5)(C) CCR, Title 5, Section 11967.5.1(f)(3)
(A) Utilizes a variety of assessment tools that are appropriate to the skills, knowledge, or attitudes being assessed, including, at minimum, tools that employ objective means of assessment consistent with the measurable pupil outcomes.	Yes
(B) Includes the annual assessment results from the Statewide Testing and Reporting (STAR) program.	Yes
(C) Outlines a plan for collecting, analyzing, and reporting data on pupil achievement to school staff and to pupils' parents and guardians, and for utilizing the data continuously to monitor and improve the charter school's educational program.	Yes
Does the petition present a reasonably comprehensive description of the method for measuring pupil progress?	Yes
Comments: The charter includes (or implies) methods for measuring progress in relation to the outcomes identified above. Discussion is included (page 25) on the use and reporting of data.	

4. GOVERNANCE STRUCTURE	EC Section 47605(b)(5)(D) CCR, Title 5, Section 11967.5.1(f)(4)
Evaluation Criteria The governance structure of the school, including, but not limited to, the process...to ensure parental involvement..., as required by <i>EC</i> Section 47605(b)(5)(D), at a minimum:	
(A) Includes evidence of the charter school's incorporation as a non-profit public benefit corporation, if applicable.	Yes
(B) Includes evidence that the organizational and technical designs of the governance structure reflect a seriousness of purpose necessary to ensure that: <ol style="list-style-type: none"> 1. The charter school will become and remain a viable enterprise. 2. There will be active and effective representation of interested parties, including, but not limited to parents (guardians). 3. The educational program will be successful. 	Yes
Does the petition present a reasonably comprehensive description of the school's governance structure?	Yes
Comments: The Monterey County Office analysis noted that, while the charter is explicit that the Cypress Grove Board of Trustees is subject to the provisions of the <i>Ralph M. Brown Act</i> (i.e., open meetings), the charter does not specifically require that "support teams" to the governing board (e.g., Parent Teacher Organization and Outreach Team) would also be subject to the <i>Brown Act</i> . CDE staff believe that applying the <i>Brown Act</i> to support teams across the board may create an unnecessarily burdensome arrangement. We recommend that the Cypress Grove Board of Trustees retain flexibility in regard to meeting notices and other conduct of the support teams.	

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5. EMPLOYEE QUALIFICATIONS	EC Section 47605(b)(5)(E) CCR, Title 5, Section 11967.5.1(f)(5)
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Evaluation Criteria	
The qualifications [of the school's employees], as required by <i>EC</i> Section 47605(b)(5)(E), at a minimum:	
(A) Identify general qualifications for the various categories of employees the school anticipates (e.g., administrative, instructional, instructional support, non-instructional support). The qualifications shall be sufficient to ensure the health, and safety of the school's faculty, staff, and pupils.	Yes
(B) Identify those positions that the charter school regards as key in each category and specify the additional qualifications expected of individuals assigned to those positions.	Yes
(C) Specify that all requirements for employment set forth in applicable provisions of law will be met, including, but not limited to credentials as necessary.	Yes
Does the petition present a reasonably comprehensive description of employee qualifications?	Yes
Comments:	
The charter specifies that core teachers will hold appropriate CTC-issued certificates (permits or other documents) and will all be highly qualified pursuant to the NCLB. The Monterey County Office analysis comments on an apparent inconsistency in relation to English learners in that the charter states only that the school will "seek" to employ teachers who are CLAD or BCLAD credentialed. If the SBE chooses to renew the charter, CDE staff concur that this reference should be reconciled with the charter's commitment to having teachers with CTC-issued certificates that are "equivalent to that which a teacher in other public schools would be required to hold."	

6. HEALTH AND SAFETY PROCEDURES	EC Section 47605(b)(5)(F) CCR, Title 5, Section 11967.5.1(f)(6)
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Evaluation Criteria	
The procedures...to ensure the health and safety of pupils and staff, as required by <i>EC</i> Section 47605(b)(5)(F), at a minimum:	
(A) Require that each employee of the school furnish the school with a criminal record summary as described in <i>EC</i> Section 44237.	Yes
(B) Include the examination of faculty and staff for tuberculosis as described in <i>EC</i> Section 49406.	Yes
(C) Require immunization of pupils as a condition of school attendance to the same extent as would apply if the pupils attended a non-charter public school.	Yes
(D) Provide for the screening of pupils' vision and hearing and the screening of pupils for scoliosis to the same extent as would be required if the pupils attended a non-charter public school.	Yes

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6. HEALTH AND SAFETY PROCEDURES	<i>EC Section 47605(b)(5)(F) CCR, Title 5, Section 11967.5.1(f)(6)</i>
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Does the petition present a reasonably comprehensive description of health and safety procedures?	Yes
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Comments:
 The charter (page 36) references adherence to the MPUSD Emergency Procedure Bulletin, and that Bulletin is included as an appendix. The Bulletin is very comprehensive. Even with the SBE in the role of charter authorizer, this reference may continue to be appropriate.

7. RACIAL AND ETHNIC BALANCE	<i>EC Section 47605(b)(5)(G) CCR, Title 5, Section 11967.5.1(f)(7)</i>
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Evaluation Criteria
 Recognizing the limitations on admissions to charter schools imposed by *EC Section 47605(d)*, the means by which the school(s) will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district..., as required by *EC Section 47605(b)(5)(G)*, shall be presumed to have been met, absent specific information to the contrary.

Does the petition present a reasonably comprehensive description of means for achieving racial and ethnic balance?	Unclear
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Comments:
 The charter lists (page 40) various methods to “pursue” racial and ethnic balance reflective of the MPUSD student population, including posting information in languages other than English, visits to community groups, development of targeted promotional material, and outreach meetings for parents of varied racial, ethnic, and socioeconomic backgrounds. Cypress Grove’s student body is less diverse than the district’s, both generally and in relationship to the comprehensive high schools. If the SBE renews the charter, it may wish to call for greater effort with respect to outreach activities.

8. ADMISSION REQUIREMENTS, IF APPLICABLE	<i>EC Section 47605(b)(5)(H) CCR, Title 5, Section 11967.5.1(f)(8)</i>
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Evaluation Criteria
 To the extent admission requirements are included in keeping with *EC Section 47605(b)(5)(H)*, the requirements shall be in compliance with the requirements of *EC Section 47605(d)* and any other applicable provision of law.

Does the petition present a reasonably comprehensive description of admission requirements?	No
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8. ADMISSION REQUIREMENTS, IF APPLICABLE	EC Section 47605(b)(5)(H) CCR, Title 5, Section 11967.5.1(f)(8)
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Comments:

As noted above, CDE staff believe the charter is inconsistent with statute in specific relationship to admission preference for students of the district, and the charter incorporates the preference discussion in the section on admission requirements. With respect to admission prerequisites per se, the charter does not appear onerous. There is a reference to students being “encouraged but not required to” display certain characteristics, such as an understanding of the school’s philosophy and policies. Completing and signing “required enrollment forms” is also listed as “encouraged but not required”; however, that appears to be unintended and should be corrected if the charter is renewed by the SBE.

9. ANNUAL INDEPENDENT FINANCIAL AUDITS	EC Section 47605(b)(5)(I) CCR, Title 5, Section 11967.5.1(f)(9)
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Evaluation Criteria

The manner in which annual independent financial audits shall be conducted using generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the SBE’s satisfaction, as required by *EC Section 47605(b)(5)(I)*, at a minimum:

(A) Specify who is responsible for contracting and overseeing the independent audit.	Yes
(B) Specify that the auditor will have experience in education finance.	Yes
(C) Outline the process of providing audit reports to the State Board of Education, California Department of Education, or other agency as the State Board of Education may direct, and specifying the timeline in which audit exceptions will typically be addressed.	Yes
(D) Indicate the process that the charter school(s) will follow to address any audit findings and/or resolve any audit exceptions.	Generally
Does the petition present a reasonably comprehensive description of annual independent financial audits?	Generally. Recommend clarification.

Comments:

The charter pre-dates changes in statute and regulation governing audits. It needs to be rewritten and made consistent with current requirements. Auditors are now required to be selected from among those approved to perform school audits by the State Controller’s Office. The Monterey County Office analysis commented that this section was insufficiently detailed. CDE staff concur in some respects. However, merely updating the section to reflect statutory changes will substantially address our concerns. [As with other sections in the charter, references to the MPUSD would need to be modified to reflect the SBE as the chartering authority.]

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10. SUSPENSION AND EXPULSION PROCEDURES	EC Section 47605(b)(5)(J) CCR, Title 5, Section 11967.5.1(f)(10)
Evaluation Criteria	
The procedures by which pupils can be suspended or expelled, as required by <i>EC Section 47605(b)(5)(J)</i> , at a minimum:	
(A) Identify a preliminary list, subject to later revision pursuant to subparagraph (E), of the offenses for which students in the charter school must (where non-discretionary) and may (where discretionary) <i>be</i> suspended and, separately, the offenses for which students in the charter school must (where non-discretionary) or may (where discretionary) be expelled, providing evidence that the petitioners' reviewed the offenses for which students must or may be suspended or expelled in non-charter public schools.	Yes
(B) Identify the procedures by which pupils can be suspended or expelled.	Yes
(C) Identify the procedures by which parents, guardians, and pupils will be informed about reasons for suspension or expulsion and of their due process rights in regard to suspension or expulsion.	Yes
(D) Provide evidence that in preparing the lists of offenses specified in subparagraph (A) and the procedures specified in subparagraphs (B) and (C), the petitioners reviewed the lists of offenses and procedures that apply to students attending non-charter public schools, and provide evidence that the charter petitioners believe their proposed lists of offenses and procedures provide adequate safety for students, staff, and visitors to the school and serve the best interests the school's pupils and their parents (guardians).	Yes
(E) If not otherwise covered under subparagraphs (A), (B), (C), and (D): 1. Provide for due process for all pupils and demonstrate an understanding of the rights of pupils with disabilities in...regard to suspension and expulsion. 2. Outline how detailed policies and procedures regarding suspension and expulsion will be developed and periodically reviewed, including, but not limited to, periodic review and (as necessary) modification of the lists of offenses for which students are subject to suspension or expulsion.	N/A
Does the petition present a reasonably comprehensive description of suspension and expulsion procedures?	Yes
Comments: The charter (Appendix N) includes a very comprehensive description of suspension and expulsion, including provisions for due process, rehabilitation plans, readmission, and specific consideration to be given when disciplinary issues involve students with disabilities or suspected disabilities.	

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11. STRS, PERS, AND SOCIAL SECURITY COVERAGE	EC Section 47605(b)(5)(K) CCR, Title 5, Section 11967.5.1(f)(11)
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Evaluation Criteria
 The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security, as required by EC Section 47605(b)(5)(K), at a minimum, specifies the positions to be covered under each system and the staff who will be responsible for ensuring that appropriate arrangements for that coverage have been made.

Does the petition present a reasonably comprehensive description of STRS, PERS, and social security coverage?	Generally
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Comments:
 The charter addresses participation in STRS, PERS, and social security (page 34). However, this section of the charter would need to be reworked if the SBE were to become the chartering authority.

12. PUBLIC SCHOOL ATTENDANCE ALTERNATIVES	EC Section 47605(b)(5)(L) CCR, Title 5, Section 11967.5.1(f)(12)
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Evaluation Criteria
 The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools, as required by EC Section 47605(b)(5)(L), at a minimum, specify that the parent or guardian of each pupil enrolled in the charter school shall be informed that the pupil has no right to admission in a particular school of any local education agency (or program of any local education agency) as a consequence of enrollment in the charter school, except to the extent that such a right is extended by the local education agency.

Does the petition present a reasonably comprehensive description of public school attendance alternatives?	Yes
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Comments:
 The charter is clear that enrollment is entirely voluntary (page 40).

13. POST-EMPLOYMENT RIGHTS OF EMPLOYEES	EC Section 47605(b)(5)(M) CCR, Title 5, Section 11967.5.1(f)(13)
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Evaluation Criteria
 The description of the rights of any employees of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school, as required by EC Section 47605(b)(5)(M), at a minimum, specifies that an employee of the charter school shall have the following rights:

(A) Any rights upon leaving the employment of a local education agency to work in the charter school that the local education agency may specify.	Yes
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13. POST-EMPLOYMENT RIGHTS OF EMPLOYEES	EC Section 47605(b)(5)(M) CCR, Title 5, Section 11967.5.1(f)(13)
(B) Any rights of return to employment in a local education agency after employment in the charter school as the local education agency may specify.	Yes
(C) Any other rights upon leaving employment to work in the charter school and any rights to return to a previous employer after working in the charter school that the SBE determines to be reasonable and not in conflict with any provisions of law that apply to the charter school or to the employer from which the employee comes to the charter school or to which the employee returns from the charter school.	Yes
Does the petition present a reasonably comprehensive description of post-employment rights of employees?	Yes
Comments: The charter indicates that employees have no right of return to employment in the MPUSD "unless otherwise granted by the District." If the SBE becomes the charter authorizer, it may be appropriate to rework this section somewhat.	

14. DISPUTE RESOLUTION PROCEDURES	EC Section 47605(b)(5)(N) CCR, Title 5, Section 11967.5.1(f)(14)
Evaluation Criteria The procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to the provisions of the charter, as required by <i>EC Section 47605(b)(5)(N)</i> , at a minimum:	
(A) Include any specific provisions relating to dispute resolution that the SBE determines necessary and appropriate in recognition of the fact that the SBE is not a local education agency.	Yes
(B) Describe how the costs of the dispute resolution process, if needed, would be funded.	Yes
(C) Recognize that, because it is not a local education agency, the State Board of Education may choose resolve a dispute directly instead of pursuing the dispute resolution process specified in the charter, provided that if the State Board of Education intends to resolve a dispute directly instead of pursuing the dispute resolution process specified in the charter, it must first hold a public hearing to consider arguments for and against the direct resolution of the dispute instead of pursuing the dispute resolution process specified in the charter.	No
(D) Recognize that if the substance of a dispute is a matter that could result in the taking of appropriate action, including, but not limited to, revocation of the charter in accordance with <i>EC Section 47604.5</i> , the matter will be addressed at the State Board of Education's discretion in accordance with that provision of law and any regulations pertaining thereto.	Yes
Does the petition present a reasonably comprehensive description of dispute resolution procedures?	No

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14. DISPUTE RESOLUTION PROCEDURES	EC Section 47605(b)(5)(N) CCR, Title 5, Section 11967.5.1(f)(14)
<p>Comments: The charter contains a significant discussion of dispute resolution. However, it is obviously geared toward a relationship with the MPUSD. The section would need to be revised if the SBE were to become the chartering authority. The Monterey County Office analysis commented that the County Office should have right to address all disputes, including disputes that are internal. If the SBE becomes the chartering authority, CDE staff would concur with the intent of the County Office recommendation, providing the SBE or its designees "authority" to resolve any dispute, internal or external, though recognizing that the SBE or its designees may likely choose to enter into internal disputes only under extraordinary circumstances.</p>	
15. EXCLUSIVE PUBLIC SCHOOL EMPLOYER	EC Section 47605(b)(5)(O) CCR, Title 5, Section 11967.5.1(f)(15)
<p>Evaluation Criteria The declaration of whether or not the district shall be deemed the exclusive public school employer of the employees of the charter school for the purposes of the Educational Employment Relations Act (Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the <i>Government Code</i>), as required by <i>EC Section 47605(b)(5)(O)</i>, recognizes that the SBE is not an exclusive public school employer and that, therefore, the charter school must be the exclusive public school employer of the employees of the charter school for the purposes of the Educational Employment Relations Act.</p>	
Does the petition include the necessary declaration?	Yes
<p>Comments: The charter indicates that the school will be the exclusive public school employer for collective bargaining purposes (page 35).</p>	
16. CLOSURE PROCEDURES	EC Section 47605(b)(5)(P)
<p>Evaluation Criteria A description of the procedures to be used if the charter school closes, in keeping with <i>EC Section 47605(b)(5)(P)</i>. The procedures shall ensure a final audit of the school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.</p>	
Does the petition include a reasonably comprehensive description of closure procedures?	Changes needed.

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16. CLOSURE PROCEDURES	EC Section 47605(b)(5)(P)
<p>Comments: The charter includes a description of closure procedures (pages 44-45). However, it has certain language that is confusing, such as closure necessitating “official action” by the school’s governing board. If the SBE were to revoke the charter, consent of the school’s governing board is not necessary. This should be clarified. The proposed closure procedures do not indicate what dependable source of funds would be used to finance the activities outlined. A source of funding should be identified, as well as the means for accessing it. The petition indicates that any net unrestricted assets (i.e., assets remaining after all liabilities have been resolved) would “remain the sole property of the School and...be distributed in accordance with the Articles of Incorporation.” It may be preferable to have the net assets be transferred to the state (which would be allowed under the nonprofit public benefit corporation law). Also, as with other parts of charter, this section would need to be amended to reflect the SBE as the chartering authority.</p>	

ADDITIONAL REQUIREMENTS UNDER EC SECTION 47605

STANDARDS, ASSESSMENTS, AND PARENT CONSULTATION	EC Section 47605(c)
<p>Evaluation Criteria Evidence is provided that:</p>	
(1) The school shall meet all statewide standards and conduct the pupil assessments required pursuant to <i>EC</i> sections 60605 and 60851 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.	Yes
(2) The school shall, on a regular basis, consult with their parents and teachers regarding the school’s educational programs.	Yes
<p>Does the petition provide evidence addressing the requirements regarding standards, assessments, and parent consultation?</p>	Yes
<p>Comments: The charter globally addresses meeting standards and participating in state testing (page iv and page 25).</p>	

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EMPLOYMENT IS VOLUNTARY	EC Section 47605(e)
Evaluation Criteria The governing board...shall not require any employee...to be employed in a charter school.	
Does the petition meet this criterion?	Yes
Comments: It is clear that employment at Cypress Grove is voluntary on the part of the employee.	

PUPIL ATTENDANCE IS VOLUNTARY	EC Section 47605(f)
Evaluation Criteria The governing board...shall not require any pupil...to attend a charter school.	
Does the petition meet this criterion?	Yes
Comments: It is clear that attendance at Cypress Grove is voluntary.	

EFFECT ON AUTHORIZER AND FINANCIAL PROJECTIONS	EC Section 47605(g)
Evaluation Criteria ...[T]he petitioners [shall] provide information regarding the proposed operation and potential effects of the school, including, but not limited to:.	
<ul style="list-style-type: none"> • The facilities to be utilized by the school. The description of the facilities to be used by the charter school shall specify where the school intends to locate. 	Uncertain
<ul style="list-style-type: none"> • The manner in which administrative services of the school are to be provided. 	Yes
<ul style="list-style-type: none"> • Potential civil liability effects, if any upon the school and the SBE. 	Yes
The petitioners shall also provide financial statements that include a proposed first-year operational budget, including startup costs, and cashflow and financial projections for the first three years of operation.	
Does the petition provide the required information and financial projections?	Not complete

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EFFECT ON AUTHORIZER AND FINANCIAL PROJECTIONS	EC Section 47605(g)
Comments: As noted above, the financial information submitted by the school and the lack of final audits for 2003-04 and 2004-05 are serious issues. Moreover, the status of the school's existing facility would be unclear if the SBE were to become the charter authorizer. The MPUSD may continue to "lease" the existing facility to the school as described in the charter, but that is not entirely certain. The charter contains some discussion of potential impact (page 46), but this would need to be revised if the SBE were to become the chartering authority.	

ACADEMICALLY LOW ACHIEVING PUPILS	EC Section 47605(h)
Evaluation Criteria In reviewing petitions, the charter authorizer shall give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to pupils identified by the petitioners as academically low achieving...	
Does the petition merit preference by the SBE under this criterion?	No
Comments: The charter does not include evidence that Cypress Grove systematically targets academically low achieving students in its recruitment process, and the school has a substantially smaller proportion of students likely to be low achieving than the MPUSD's comprehensive high schools.	

TEACHER CREDENTIALING	EC Section 47605(i)
Evaluation Criteria Teachers in charter schools shall be required to hold a CCTC certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold...It is the intent of the Legislature that charter schools be given flexibility with regard to noncore, noncollege preparatory courses.	
Does the petition meet this requirement?	Yes
Comments: The credentialing requirement is addressed.	

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TRANSMISSION OF AUDIT REPORT	EC Section 47605(m)
Evaluation Criteria A charter school shall transmit a copy of its annual independent financial audit report for the preceding fiscal year...to the chartering entity, the Controller, the county superintendent of schools of the county in which the charter is sited..., and the CDE by December 15 of each year.	
Does the petition address this requirement?	Incomplete
Comments: The charter notes the requirement for an annual audit to be delivered to the MPUSD, but (as noted above) the school has not produced final audits for 2003-04 or 2004-05 according to the documentation received. As a locally funded charter school, Cypress Grove has been included with the MPUSD's annual audit for purposes of reporting to the state. If Cypress Grove's charter were to be renewed by the SBE, this section of the charter would need to be rewritten.	