

REGULAR MEETING

May 1, 2024

3:30 p.m.

Location: The public meeting will be conducted onsite with limited seating at 200 Kalmus Drive, Costa Mesa, CA 92626, via YouTube live stream-[https://youtube.com/live/y\\_xtrqFio4I?feature=share](https://youtube.com/live/y_xtrqFio4I?feature=share) and an alternate location at Residence Inn Sacramento Downtown at Capitol Park, 1121 15th Street, Sacramento, CA 95814.

ORANGE COUNTY BOARD OF EDUCATION  
AGENDA

WELCOME

CALL TO ORDER

STATEMENT OF PRESIDING OFFICER: For the benefit of the record, this Regular Meeting of the Orange County Board of Education is called to order.

ROLL CALL

(\*) AGENDA

Regular Meeting of May 1, 2024 – Adoption

(\*) MINUTES

Regular Meeting of April 3, 2024 – Approval

TIME CERTAIN

1. Inter-district Appeal Hearing (Closed) – Student #05012024001I and #05012024002I – Tustin Unified School District to Newport-Mesa Unified School District.

PUBLIC COMMENTS (related to Closed Session)

CLOSED SESSION 1

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION Orange County Board of Education v. OC Superintendent of Schools, Al Mijares, and State Superintendent of Public Instruction, Tony Thurmond Case No 30-2019-01112665-CU-WM-CJC - Government Code §§ 54956.9(a) and (d)(1)

CLOSED SESSION 2

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION Potential litigation pursuant to (d) (4) of Government Code Section 54956.9

CLOSED SESSION 3

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION Potential litigation pursuant to (d) (4) of Government Code Section 54956.9

INVOCATION

5:00 p.m.

Rabbi Yisroel Ciner  
Beth Jacob Congregation of Irvine

PLEDGE OF ALLEGIANCE

Sunburst Youth Academy Color Guard Presentation of Flags

SPECIAL PRESENTATIONS

2. Special Awards Presentation –Presentation of awards to the Tenth Annual Jack R. Hammett Memorial Day Essay and Art Contest participants and winners.
  - The Freedom Committee of Orange County
  - Ramon Miramontes, Ed.D. – Introductions and Program Overview
    - Announcement of Contest Winners
3. Presentation – Sycamore Creek Students
4. Presentation – Project Kinship, Steven Kim, Executive Director

INTRODUCTIONS

PUBLIC COMMENTS (30 minutes)

CONSENT CALENDAR

- (\*) 5. Adopt Resolution #08-24 to recognize May 27, 2024 as Memorial Day.
- (\*) 6. Approve the granting of diplomas to the students listed from Alternative, Community, and Correctional Education Schools and Services, Alternative Education Division.
- (\*) 7. Accept donation of \$50,000.00 from SchoolsFirst Federal Credit Union, on behalf of the Orange County Teachers of the Year program and send a letter of appreciation to donor.
- (\*) 8. Accept the 3rd Quarter Report on Williams Uniform Complaints for Orange County Department of Education Student Programs for the period of January 1 to March 31, 2024.
- (\*) 9. Accept the Supervisors of Attendance of the Orange County School Districts, 2023-2024.
- (\*) 10. Approve the signing of the certificate of merit and letter of commendation for Brian Nakamura, resigning board member from the Cypress School District.
- (\*) 11. Approve invoice #3273819 in the amount of \$70,079.74 for Haight, Brown & Bonesteel LLP.
- (\*) 12. Adopt the annual updated Orange Department of Education Investment Policy.

- (\*) 13. Approval of Board President Shaw and Vice President Sparks reimbursements for travel to Sacramento to attend the Senate Education Committee meeting regarding SB 907 on April 16, 2024. (Shaw & Sparks)

CHARTER SCHOOLS

- 14. Charter submissions
- (\*) 15. Charter School Public Hearing – Orange County Classical Academy  
Aracely Chastain, Director, Charter Schools Unit, will facilitate the public hearing.  
  
Discussion Format:  
    Orange County Classical Academy  
    Public Comments  
    Board Questions
- (\*) 16. Charter School Public Hearing – Magnolia Science Academy Orange County  
Aracely Chastain, Director, Charter Schools Unit, will facilitate the public hearing.  
  
Discussion Format:  
    Magnolia Science Academy Orange County  
    Public Comments  
    Board Questions
- (\*) 17. Board action on Magnolia Science Academy Orange County.

TIME CERTAIN

- 18. Public Hearing – David Giordano, Associate Superintendent, Division of Administrative Services, will conduct a public hearing on CSEA’s Initial Proposal to Superintendent.
- 19. Public Hearing – David Giordano, Associate Superintendent, Division of Administrative Services, will conduct a public hearing on Superintendent’s Initial Proposal to CSEA.

BOARD RECOMMENDATIONS

- (\*) 20. Approval of Board Vice President Sparks travel to Washington DC for lobbying, scheduled for May 5 – May 9, 2024. (Sparks)
- (\*) 21. Board action on a resolution regarding the Establishment of a Charter School Special Fund. (Williams & Valdes)
- (\*) 22. Board action on Board Member stipend. (Valdes)

STAFF RECOMMENDATIONS

INFORMATION ITEMS

COMMUNICATION/INFORMATION/DISCUSSION

ANNOUNCEMENTS

- Superintendent
- Deputy Superintendent

LEGISLATIVE UPDATES

COMMITTEE REPORT

BOARD MEMBER COMMENTS

LOCATION INFORMATION

Primary Location:  
OCDE Board Room  
200 Kalmus Drive  
Costa Mesa, CA 92626

Alternate Location: Trustee Shaw will participate from the alternate location.  
Residence Inn Sacramento Downtown at Capitol Park  
1121 15th Street  
Sacramento, CA 95814

ADJOURNMENT



Renee Hendrick  
Assistant Secretary, Board of Education

The next Regular Board Meeting will be on Wednesday, June 5, 2024 at 5:00 p.m. The meeting will be held onsite at 200 Kalmus Drive, Costa Mesa, CA 92626 and via YouTube live stream.

Individuals with disabilities in need of copies of the agenda and/or the agenda packet or in need of auxiliary aides and services may request assistance by contacting Darou Sisavath, Board Clerk at (714) 966-4012.

(\* ) Printed items included in materials mailed to Board Members

*ren*

MINUTES  
Regular Meeting  
April 3, 2024

ORANGE COUNTY BOARD OF EDUCATION  
MINUTES

WELCOME

CALL TO ORDER

The Regular Meeting of the Orange County Board of Education was called to order by Board President Shaw at 3:37 p.m., April 3, 2024 in the Board Room, 200 Kalmus Drive, Costa Mesa, California and via YouTube live stream at <https://www.youtube.com/live/-OEENKtjoyM?si=RCkoxNG74vwNjPEX>

ROLL CALL

Present:  
Jorge Valdes, Esq.  
Lisa Sparks, Ph.D.  
Tim Shaw  
Mari Barke  
Ken L. Williams, D.O.

AGENDA

Motion by Barke, seconded by Sparks and carried by a vote of 5-0 to approve the agenda of the Regular meeting on April 3, 2024.

MINUTES

Motion by Barke, seconded by Sparks and carried by a vote of 5-0 to approve the minutes of the Regular meeting on March 6, 2024.

TIME CERTAIN

1. Budget Study Session- David Giordano, Associate Superintendent, Administrative Services conducted the budget study session.

PUBLIC COMMENTS (related to Closed Session) - None

The Board took a recess from 4:38 p.m. to 5:08 p.m. to go into closed session.

CLOSED SESSION 1

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION Orange County Board of Education v. OC Superintendent of Schools, Al Mijares, and State Superintendent of Public Instruction, Tony Thurmond Case No 30-2019-01112665-CU-WM-CJC - Government Code §§ 54956.9(a) and (d)(1)

CLOSED SESSION 2

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION Potential litigation pursuant to (d) (4) of Government Code Section 54956.9

CLOSED SESSION 3

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION Potential litigation pursuant to (d) (4) of Government Code Section 54956.9

INVOCATION

Nelson Cook  
Coaches of Influence

PLEDGE OF ALLEGIANCE Trustee Mari Barke

INTRODUCTIONS None

PUBLIC COMMENTS

- Bill
- Michelle
- Rudi
- Stephen
- Heidi
- Nancy
- Karen
- Doug
- Tina
- Laurel
- Galina
- Deborah
- Cyndie
- Noga
- Alex
- Inba
- Stephaney
- Ilana
- Max
- Lori

CONSENT CALENDAR

Motion by Shaw, seconded by Williams, and carried by a vote of 5-0 to approve Consent Calendar items #2, #3, #4, #5 and #7.

2. Approve the granting of diplomas to the students listed from Alternative, Community, and Correctional Education Schools and Services, Alternative Education Division.
3. Adopt Resolution #06-24 to recognize May 8, 2024 as California Day of the Teacher.
4. Adopt Resolution #07-24 to recognize May 19-25, 2024 as Classified School Employee Week.
5. Accept donation of \$12,000 on behalf of the Special Education Services Division and send a letter of appreciation to the donor.
7. Approve invoice #3273173 in the amount of \$30,021.69 for Haight, Brown & Bonesteel LLP.

CONSENT CALENDAR (continue)

6. Motion by Williams, seconded by Barke, and carried by a vote of 3-0-2 (Williams, Valdes, and Barke voted Yes; Shaw and Sparks Abstained) to approve Board President Shaw travel to Sacramento to testify at the Senate Education Committee regarding SB 907, March 19-20, 2024.

### CHARTER SCHOOLS

8. Charter submissions
  - Orange County Classical Academy
  - Orange Springs Charter School
9. Charter School Public Hearing – Tustin International Charter School  
Aracely Chastain, Director, Charter Schools Unit, facilitated the public hearing.
  - Dr. Shuhan Wang and Steven Chuang, Tustin International Charter School

### TIME CERTAIN

12. Public Hearing – David Giordano, Associate Superintendent, Division of Administrative Services, conducted a public hearing on OCSEA’s Initial Proposal to Superintendent. The hearing was opened at 6:42 p.m. There being no input from the audience, the hearing was closed at 6:43 p.m.
13. Public Hearing – David Giordano, Associate Superintendent, Division of Administrative Services, conducted a public hearing on Superintendent’s Initial Proposal to OCSEA. The hearing was opened at 6:45 p.m. There being no input from the audience, the hearing was closed at 6:46 p.m.

### PUBLIC COMMENTS (Item #14 Only)

- Maria
- Javier
- Lynne
- Jason

### BOARD RECOMMENDATIONS

14. Board action on a resolution regarding the Establishment of a Charter School Special Fund.  
  
By consensus of the Board, item #14 was tabled to the next board meeting.

### INFORMATION ITEMS

#### ANNOUNCEMENTS

Deputy Superintendent Ramon Miramontes, Ed.D.

- March 12<sup>th</sup> health education pathway program – OCDE Educational Services and Cal State Fullerton
- Connections and ACCESS students and staff on Spring Break
- OCDE Newsroom – video clip highlighting ACCESS program students, teachers and staff



Deputy Superintendent Renee Hendrick

- Next board meeting is Wednesday, May 1; submission deadline is April 17; and the board packet delivery is April 26.
- Memorial Day Essay contest committee and contribution
- Budget

BOARD MEMBER COMMENTS

- Trustee Williams – Update from Dr. Miramontes
- Trustee Shaw – SB 907, video clip of the Senate Committee meeting
- Trustee Shaw & Trustee Sparks – travel to Sacramento April 16, SB 907

Report Out

Mr. Brenner reported, for closed sessions 1 through 3, the Board had a discussion with legal counsel, and no action was taken except with respect to items #1 and #2. The Board approved EBG's invoice numbers 1153750 and 1153751 by a vote of 5-0.


The link to the video of the Senate Committee meeting will be posted on the board's website.

BOARD MEMBER COMMENTS

- Trustee Barke – ISSAC's Undoukai Sports Fest, Corona Del Mar High School event
- Trustee Sparks – Acknowledged speaker at the Corona Del Mar High School event
- Trustee Williams & Trustee Valdes – OCSA, Antisemitism, Letter from Janet Nguyen
- Trustee Valdes – Charter Schools signature verification, Plans to visit OCSA and report back
- Trustee Shaw & Trustee Barke – Model Curriculum meeting
- Trustee Shaw – Janet Nguyen, Israel issue

ADJOURNMENT

On a motion duly made and seconded, the April 3, 2024, board meeting adjourned at 7:56 p.m.



Renee Hendrick  
Assistant Secretary, Board of Education

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Tim Shaw  
President, Board of Education

The next Regular Board Meeting will be on Wednesday, May 1, 2024 at 5:00 p.m. All meetings will be held onsite at 200 Kalmus Drive, Costa Mesa, CA 92626 and via YouTube live stream.

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RA

ORANGE COUNTY BOARD OF EDUCATION

BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent  
FROM: Darou Sisavath, Board Recording Clerk  
SUBJECT: Resolution #08-24  
Recognize May 27, 2024 as Memorial Day

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RECOMMENDATION:

Adopt Resolution #08-24 to recognize May 27, 2024 as Memorial Day.

ORANGE COUNTY BOARD OF EDUCATION  
Resolution Honoring MEMORIAL DAY - May 27, 2024

**WHEREAS**, the U.S. Congress, by a Joint Resolution, approved May 11, 1950, as amended (36 U.S.C. 116), requests the President of the United States to issue a proclamation calling on the people of this country to observe each Memorial Day as a day of prayer for permanent peace, and designating a period on that day when the people of the United States may unite in prayer. The Congress, by Public Law 106-579, has designated 3:00 p.m. local time on that day as a time for all Americans to observe, in their own way, the National Moment of Remembrance; and

**WHEREAS**, the California Constitution affirms in Article IX, Section 1, "A general diffusion of knowledge and intelligence being essential to the preservation of the rights and liberties of the people, the Legislature shall encourage by all suitable means the promotion of intellectual, scientific, moral, and agricultural improvement"; and

**WHEREAS**, school boards, educators, teachers, school administrators and staff play a significant role in the education of our children; and

**WHEREAS**, Memorial Day is a national celebration whereby students, parents, veterans service organizations, and elected officials celebrate with patriotic and memorial ceremonies at monuments, civic centers, parks, schools, and cemeteries in Orange County and throughout this great nation; and

**WHEREAS**, since our Nation's founding, America's sons and daughters have given their lives in service to our country, from Concord and Gettysburg, to Marne and Normandy, from Inchon and Khe Sanh, to Baghdad and Kandahar; and they laid down their lives as the greatest sacrifice for a cause greater than themselves; and

**WHEREAS**, the instruction and inculcation of American history and the knowledge of military veterans fighting for American liberties and freedoms, is an essential component of our American education process because it passes this remembrance and knowledge unto subsequent generations of American children in our schools; and

**WHEREAS**, we honor the service and sacrifice of our disabled veterans, prisoners of war, those Americans missing in action who should never be forgotten. As educators and leaders in education in Orange County we acknowledge the sacrifice and sorrow of parents who lost sons or daughters, spouses, and children due to the war and terrorism; and

**WHEREAS**, citizens and their elected government should encourage educating America's children in our schools about American patriotism and the relevance of Memorial Day by having the opportunity of participating in a symbolic act to respectfully honor the memory and actions of America's heroes, and

**WHEREAS**, on May 30th of this year our students, parents, and citizens will recognize Memorial Day by honoring over one million American men and women who gave their lives in service to our country in defense of our treasurable freedoms.

**NOW, THEREFORE**, be it resolved that the Governing Board of the Orange County Department of Education recognizes May 27th, 2024, as Memorial Day and expresses its support of this moment in the Month of May. We likewise encourage our students to participate in Memorial Day events and learn more of American history.

AYES:

NOES:

ABSENT:

STATE OF CALIFORNIA, COUNTY OF ORANGE

I, **Mari Barke**, Clerk of the Board of Education of Orange County, California hereby certify that the foregoing Resolution was duly and regularly adopted by the said Board at a regular meeting thereof held on the 1st day of May 2024.

**IN WITNESS THEREOF**, I have hereunto set my hand and seal this 1st day of May 2024.

\_\_\_\_\_  
Mari Barke  
Clerk, Orange County Board of Education

24

**ORANGE COUNTY BOARD OF EDUCATION**

**BOARD AGENDA ITEM**

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent  
FROM: Ramon Miramontes, Ed.D., Deputy Superintendent  
SUBJECT: Granting of Diplomas

The students listed on the attached pages have been certified for graduation by the Custodian of Records or their designee for the Division of Alternative Education of the Orange County Department of Education. These students have met the standards of proficiency in the basic skills prescribed by the governing board in accordance with Education Code 51412. It is requested that the Board approve the granting of diplomas to these students.

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**RECOMMENDATION:**

Approve granting of diplomas to the students listed from Alternative, Community, and Correctional Education Schools and Services, Alternative Education Division.

VB:rc

Pages 12-13 removed (CONFIDENTIAL STUDENT INFORMATION)

RK

ORANGE COUNTY BOARD OF SUPERVISORS

BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent of Operations  
FROM: Sonia Llamas, Ed.D., LCSW, Associate Superintendent, Educational Services Division  
SUBJECT: Acceptance of Donation for the Orange County Teachers of the Year Program

The Orange County Teachers of the Year program has the privilege of being the recipient of a cash donation in the amount of \$50,000.00 from SchoolsFirst Federal Credit Union. These funds were used to support the 2023-2024 Teachers of the Year program.

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RECOMMENDATION:

Accept donation of \$50,000.00 from SchoolsFirst Federal Credit Union, on behalf of the Orange County Teachers of the Year program and send a letter of appreciation to donor.

SL:kg

CA

ORANGE COUNTY BOARD OF EDUCATION

BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent of Operations  
FROM: Sonia R. Llamas, Ed.D., LCSW, Associate Superintendent of Educational Services  
SUBJECT: Acceptance of 3<sup>rd</sup> Quarter Report on Williams Uniform Complaints for the Period of January 1 to March 31, 2024 for Orange County Department of Education Student Programs

California Education Code section 35186(d) requires that school districts and county operated programs report summarized data on the nature and resolution of all Williams Uniform Complaints on a quarterly basis to the county superintendent of schools and the governing board of the school district.

The enclosed report indicates that no complaints were filed for the Orange County Department of Education Student Programs in the Divisions of Alternative Education and Special Education Services for the period of January 1 to March 31, 2024.

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RECOMMENDATION:

Accept the 3<sup>rd</sup> Quarter Report on Williams Uniform Complaints for Orange County Department of Education Student Programs for the period of January 1 to March 31, 2024.

SL:ag



Orange County Department of Education  
Educational Services Division

**Williams Settlement Legislation**  
**Third Quarter Report on Williams Uniform Complaints**  
**January 1 – March 31, 2024**

Education Code section 35186(d) requires that school districts and county operated programs report summarized data on the nature and resolution of all Williams Uniform Complaints on a quarterly basis to the County Superintendent of Schools and their governing board. This report includes the number of complaints filed, if any, by general subject area and identifies the number of resolved and unresolved complaints.

**Division of Alternative Education**

General Subject Area	Total # of Complaints	# Resolved	# Unresolved
Textbooks and Instructional Materials	0		
Teacher Vacancies or Misassignments	0		
Facility Conditions	0		
TOTALS	0		

**Division of Special Education Services**

General Subject Area	Total # of Complaints	# Resolved	# Unresolved
Textbooks and Instructional Materials	0		
Teacher Vacancies or Misassignments	0		
Facility Conditions	0		
TOTALS	0		



2\*

ORANGE COUNTY BOARD OF EDUCATION

BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent, Operations  
FROM: Sonia Llamas, Ed.D., Associate Superintendent, Educational Services Division  
SUBJECT: May 1, 2024, OCBE Board Meeting– Acceptance of Orange County School Districts’ Supervisors of Attendance, 2023-2024

BACKGROUND:

Under California Education Code 48245, each school district is required to have a certified supervisor of attendance and this code requires that the county board of education certify local district attendance supervisors annually.

To support districts in Orange County, the Orange County Department of Education (OCDE) provides a Supervisors of Attendance/Student Attendance Review Board (SARB) online course that meets the certification requirements. Individuals are considered certified as demonstrated by meeting or exceeding 80% (eighty percent) proficiency on the post-course assessment. OCDE requires that district supervisors of attendance complete the training to recertify at least every three (3) years. Although not required, some districts have multiple staff members certified through this process.

Attached is a list of district supervisors of attendance who successfully completed the training course this academic year, 2023-2024.

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RECOMMENDATION:

Accept the Supervisors of Attendance of the Orange County School Districts, 2023-2024.

Orange County School Districts  
Supervisors of Attendance

District/LEA	Name	Academic Year Certification Date	Academic Year Expiration Date (Certification good through)
1	BPSD <i>Madeline Morrison, Director of Student and Community Services</i>	2023-2024	2025-2026
2	CAPO-USD <i>Dr. Renee Polk Johnson, Director II, Safety and Student Services</i>	2023-2024	2025-2026
3	CypSD <i>Tandy Taylor, Executive Director, Educational Services</i>	2023-2024	2025-2026
4	FSD <i>Dr. Helene Morris, NBCT, Director of Administrative Services</i>	2023-2024	2025-2026
5	GGUSD <i>Dr. Stephen Yoon, Director, Student Services</i>	2023-2024	2025-2026
6	HBUHSD <i>Dr. Courtney Spelber, Director of Student Services</i>	2023-2024	2025-2026
7	HBUHSD <i>Joseph Powers, District Counselor at Huntington Beach Union High School District</i>	2023-2024	2025-2026
8	IUSD <i>Kim Bates, Coordinator of Family Outreach &amp; Student Engagement</i>	2023-2024	2025-2026
9	LBUSD <i>Dr. Elisabeth (Betsy) Kannenberg, Director of Assessment and Accountability</i>	2023-2024	2025-2026
10	LJSD <i>Rhonda Overby, Director, Educational Services</i>	2023-2024	2025-2026
11	MSD <i>Andrea Houser, Coordinator of Educational Services</i>	2023-2024	2025-2026
12	NMUSD <i>Angela Allen Hess, Coordinator, Child Welfare &amp; Attendance</i>	2023-2024	2025-2026
13	OCDE/ACCESS <i>Ryan Cummins, Director of Student Services, Alternative Education Division (ACCESS)</i>	2023-2024	2025-2026
14	OVSD <i>Barb Davis, Director, Student</i>	2023-2024	2025-2026

		<i>Services</i>		
15	PYLUSD	<i>Melissa (Missy) Samson, Administrator, Student Services</i>	2023-2024	2025-2026
16	SAUSD	<i>Orlando Navarro, Program Specialist</i>	2023-2024	2025-2026
17	SVUSD	<i>Justin Stanfield, Director, Student Services</i>	2023-2024	2025-2026
18	SVUSD	<i>Erin Spillane, District Coordinator, Student Services and Health Services</i>	2023-2024	2025-2026
19	WSD	<i>Dr. Moises Merlos, District Coordinator, Student Services and Health Services</i>	2023-2024	2025-2026

CPA

**ORANGE COUNTY DEPARTMENT OF EDUCATION**

**BOARD AGENDA ITEM**

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent  
FROM: Dean West, CPA, Associate Superintendent, Business Services  
SUBJECT: Certificate of Merit: Brian Nakamura

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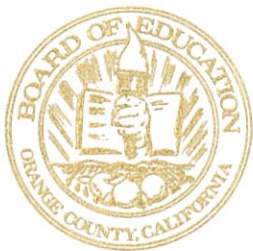
Attached is a letter and certificate of merit, which we propose to send to Brian Nakamura, board member from the Cypress School District, who resigned from his position effective March 14, 2024.

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**RECOMMENDATION:**

Approve the signing of the certificate of merit and letter of commendation for Brian Nakamura, resigning board member from the Cypress School District.

DW:ab



# ORANGE COUNTY BOARD OF EDUCATION

JORGE VALDES, ESQ., DISTRICT 1  
MARI BARKE, DISTRICT 2  
KEN L. WILLIAMS, D.O., DISTRICT 3

Tim Shaw, District 4  
LISA SPARKS, PH.D., DISTRICT 5  
AL MIJARES, PH.D., SECRETARY

May 1, 2024

Brian Nakamura  
8062 Cheshire Circle,  
La Palma, CA 90623

Dear Brian,

On behalf of the Orange County Board of Education, I would like to thank you for your fourteen years of service as a member of the Cypress School District Board of Education.

Please accept the enclosed Certificate of Merit as our sincere appreciation for your contributions to the Cypress School District. We wish you all the best in your future endeavors.

Sincerely,

Tim Shaw  
Board President

TS:ab

Enclosure



*awarded to*  
**Certificate of Merit**

**Brian Nakamura**

*who served as a trustee for the*  
**Cypress School District**  
*for the years*

**2010-2024**

*This certificate is awarded in recognition and appreciation of*  
**Distinguished Service**  
*rendered to public education in California*  
*and to the schools of Orange County.*

President, Orange County Board of Education

County Superintendent of Schools

OK

ORANGE COUNTY BOARD OF EDUCATION

BOARD AGENDA ITEM

DATE: May 1, 2024

TO: Renee Hendrick, Deputy Superintendent

FROM: Tim Shaw, Board President  
Lisa Sparks Ph.D., Board Vice President

SUBJECT: Haight, Brown & Bonesteel LLP – Invoice

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RECOMMENDATION:

Approve invoice #3273819 in the amount of \$70,079.74 for Haight, Brown & Bonesteel LLP.



# Haight

## LAWYERS

555 South Flower Street  
Forty-Fifth Floor  
Los Angeles, CA 90071

P.O. Box 17939  
Los Angeles, CA 90017-0939

www.hbblaw.com

Telephone: 213.542.8000

Facsimile: 213.542.8100

Bill Inquiries: 213.542.8074  
accountsreceivable@hbblaw.com

Tax ID: 95-1605271

Renee Hendrick  
ORANGE COUNTY BOARD OF EDUCATION  
200 Kalmus Drive  
Costa Mesa, CA 92626-5922

Invoice No.: 3273819  
Client/Matter: OC18-0000004  
Billing Atty: ROLEN, GREGORY J.  
April 4, 2024

### Account Statement

<u>Invoice Number</u>	<u>Invoice Date</u>	<u>Matter Number</u>	<u>Billing Attorney</u>	<u>Invoice Amount</u>	<u>Balance Due</u>
3272188	02/21/2024	0000004	01123	\$41,956.06	\$41,956.06
3273173	03/07/2024	0000004	01123	\$30,021.69	\$30,021.69
Total Outstanding Balance					\$71,977.75
Total Amount Due on this Invoice					\$70,079.74
<b>Total Balance Now Due</b>					<b>\$142,057.49</b>

### Aging of Past Due Amounts

<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91-120 Days</u>	<u>Over 120 Days</u>	<u>Total Past Due</u>
\$30,021.69	\$41,956.06	\$0.00	\$0.00	\$0.00	\$71,977.75

# Haight

## Haight Brown & Bonesteel LLP

### LAWYERS

555 South Flower Street  
Forty-Fifth Floor  
Los Angeles, CA 90071

P.O. Box 17939  
Los Angeles, CA 90017-0939

www.hbblaw.com

Telephone: 213.542.8000

Facsimile: 213.542.8100

Bill Inquiries: 213.542.8074  
accountsreceivable@hbblaw.com

Tax ID: 95-1605271

Renee Hendrick  
ORANGE COUNTY BOARD OF EDUCATION  
200 Kalmus Drive  
Costa Mesa, CA 92626-5922

Invoice No.: 3273819  
Client/Matter: OC18-0000004  
Billing Atty: GREGORY J. ROLEN  
April 4, 2024

### Representing: Orange County Board of Education

Re: ORANGE COUNTY BOARD OF EDUCATION  
General Counsel to the OCBE

Total Fees This Invoice	\$44,205.50
Total Costs Advances This Invoice	\$25,861.60
Interest Accrued on Previous Balance	\$12.64
Total Fees and Costs This Invoice	\$ 70,079.74
Balance Carried Forward from Previous Invoice(s)	71,977.75
<b>Total Due Upon Receipt</b>	<b>\$ 142,057.49</b>

BILLS ARE DUE AND PAYABLE UPON RECEIPT

THIS STATEMENT DOES NOT INCLUDE EXPENSES NOT YET RECEIVED BY THIS OFFICE  
WHICH MIGHT HAVE BEEN INCURRED DURING THE PERIOD COVERED BY THIS BILLING

**TERMS: Accounts are due in full Net 30 days. If payment is not received within one month, the unpaid balance will be subject to a FINANCE CHARGE computed by a "Periodic Rate" of 1% per month which is an ANNUAL PERCENTAGE RATE of 12%.**

LOS ANGELES " ORANGE COUNTY " RIVERSIDE " SACRAMENTO " SAN DIEGO " SAN FRANCISCO

**Haight Brown & Bonesteel LLP**

213.542.8000

Re: ORANGE COUNTY BOARD OF EDUCATION  
OC18-0000004  
General Counsel to the OCBE

Invoice No: 3273819

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PROFESSIONAL SERVICES RENDERED through 03/31/2024

<b>Date</b>	<b>Description</b>	<b>Attorney</b>	<b>Hours</b>
03/04/2024		GJR	0.30
03/04/2024		GJR	2.80
03/04/2024		GJR	0.40
03/04/2024		DAV	1.60
03/05/2024		GJR	0.80
03/05/2024		GJR	0.90
03/05/2024		GJR	0.50
03/05/2024		GJR	0.30
03/05/2024		GJR	0.30
03/06/2024		GJR	5.10
03/06/2024		GJR	5.30
03/06/2024		GJR	0.30
03/06/2024		GJR	0.30
03/07/2024		GJR	0.30
03/07/2024		GJR	0.40
03/07/2024		GJR	0.30
03/07/2024		GJR	4.10

**Haight Brown & Bonesteel LLP**

213.542.8000

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Re: ORANGE COUNTY BOARD OF EDUCATION  
OC18-0000004  
General Counsel to the OCBE

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03/08/2024	GJR	0.30
03/08/2024	GJR	1.00
03/08/2024	GJR	0.30
03/08/2024	GJR	1.60
03/08/2024	DAV	0.40
03/10/2024	DAV	0.40
03/12/2024	GJR	0.50
03/12/2024	GJR	0.60
03/12/2024	GJR	0.80
03/13/2024	GJR	0.90
03/13/2024	GJR	0.60
03/13/2024	GJR	0.30
03/14/2024	GJR	0.50
03/14/2024	GJR	0.30
03/14/2024	GJR	0.50
03/14/2024	GJR	0.40
03/14/2024	GJR	1.00
03/14/2024	GJR	0.90

**Haight Brown & Bonesteel LLP**

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03/14/2024	GJR	2.50
03/14/2024	MJR	0.70
03/14/2024	CA	0.40
03/15/2024	GJR	0.90
03/15/2024	GJR	0.80
03/15/2024	GJR	0.30
03/15/2024	GJR	1.10
03/15/2024	GJR	1.90
03/15/2024	CA	0.50
03/16/2024	GJR	0.90
03/18/2024	GJR	0.60
03/18/2024	GJR	0.90
03/18/2024	GJR	2.80
03/18/2024	GJR	1.40
03/18/2024	AR	4.00

**Haight Brown & Bonesteel LLP**

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Re: ORANGE COUNTY BOARD OF EDUCATION

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General Counsel to the OCBE

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03/18/2024	CA	0.70
03/18/2024	CA	1.70
03/19/2024	GJR	0.60
03/19/2024	GJR	0.40
03/19/2024	GJR	0.40
03/19/2024	GJR	0.90
03/19/2024	GJR	0.50
03/19/2024	GJR	0.90
03/19/2024	GJR	2.30
03/19/2024	AR	3.70
03/19/2024	AR	2.30
03/19/2024	CA	2.10
03/20/2024	GJR	1.60
03/20/2024	GJR	3.80
03/20/2024	GJR	1.40
03/20/2024	GJR	0.60

**Haight Brown & Bonesteel LLP**

213.542.8000

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03/20/2024	AR	3.60
03/20/2024	CA	1.50
03/20/2024	CA	3.10
03/21/2024	GJR	0.50
03/21/2024	GJR	0.30
03/21/2024	GJR	0.90
03/21/2024	GJR	0.50
03/21/2024	GJR	0.70
03/21/2024	AR	0.70
03/21/2024	AR	3.90
03/21/2024	AR	1.00
03/21/2024	AR	0.20
03/21/2024	CA	0.90



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03/21/2024	CA	0.40
03/21/2024	CA	0.50
03/21/2024	CA	1.40
03/22/2024	GJR	1.80
03/22/2024	GJR	2.60
03/22/2024	GJR	0.50
03/22/2024	AR	3.50
03/22/2024	AR	0.80
03/22/2024	CA	0.40
03/22/2024	CA	0.20
03/25/2024	GJR	0.60
03/25/2024	CA	3.10
03/26/2024	GJR	0.50
03/26/2024	GJR	0.90
03/26/2024	CA	4.10

**Haight Brown & Bonesteel LLP**

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Re: ORANGE COUNTY BOARD OF EDUCATION  
OC18-0000004

General Counsel to the OCBE

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03/26/2024	CA	0.60
03/27/2024	GJR	0.30
03/27/2024	GJR	0.70
03/27/2024	GJR	1.10
03/27/2024	GJR	0.50
03/27/2024	GJR	0.30
03/27/2024	DAV	0.60
03/27/2024	CA	3.10
03/27/2024	CA	1.10
03/28/2024	GJR	1.10
03/28/2024	GJR	1.10
03/28/2024	DAV	0.40
03/28/2024	DAV	0.30
03/28/2024	MJR	0.50
03/28/2024	CA	1.50
03/29/2024	GJR	0.80
03/29/2024	GJR	0.90
03/29/2024	GJR	0.70

**Haight Brown & Bonesteel LLP**

213.542.8000

Invoice No: 3273819

Re: ORANGE COUNTY BOARD OF EDUCATION

OC18-0000004

General Counsel to the OCBE

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03/29/2024	GJR	0.30
03/29/2024	GJR	1.90
03/29/2024	GJR	0.30
03/29/2024	CA	0.20
03/29/2024	CA	1.30

Total Hours 137.60

Total Fees This Invoice \$44,205.50

**Haight Brown & Bonesteel LLP**

213.542.8000

Invoice No: 3273819

Re: ORANGE COUNTY BOARD OF EDUCATION

OC18-0000004

General Counsel to the OCBE

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<b>Timekeeper</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
GREGORY J. ROLEN	80.20	\$400.00	32,080.00
DONALD A VELEZ JR	3.70	\$400.00	1,480.00
MEGAN J RECHBERG	1.20	\$340.00	408.00
ANGELICA RESENDEZ	23.70	\$195.00	4,621.50
CHRISTINA ALLEN	28.80	\$195.00	5,616.00
	<u>137.60</u>		<u>44,205.50</u>

**Haight Brown & Bonesteel LLP**

213.542.8000

Re: ORANGE COUNTY BOARD OF EDUCATION  
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**Mileage**

03/06/2024 38.86

03/20/2024 95.14

**Total for Mileage**

**Online Research** 134.00

03/31/2024 40.62

**Total for Online Research** 40.62

**Delivery Services/Messengers**

03/05/2024 14.61

**Total for Delivery Services/Messengers** 14.61

**Out-of-Town Travel**

03/21/2024 535.97

03/21/2024 271.60

**Total for Out-of-Town Travel** 807.57

**Litigation Support Vendors**

03/13/2024 24,801.00

**Total for Litigation Support Vendors** 24,801.00

**Photocopying**

03/28/2024 1.65

03/28/2024 0.15

**Total for Photocopying** 1.80

**Parking Expense**

**Haight Brown & Bonesteel LLP**

213.542.8000

Invoice No: 3273819

Re: ORANGE COUNTY BOARD OF EDUCATION

OC18-0000004

General Counsel to the OCBE

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03/06/2024 48.50

03/20/2024 13.50

**Total for Parking Expense**

**62.00**

Total Costs Advanced This Invoice

Total Fees and Costs This Invoice

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\$25,861.60

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\$70,079.74

# Haight

## Haight Brown & Bonesteel LLP

### LAWYERS

555 South Flower Street  
Forty-Fifth Floor  
Los Angeles, CA 90071

P.O. Box 17939  
Los Angeles, CA 90017-0939

www.hbblaw.com

Telephone: 213.542.8000

Facsimile: 213.542.8100

Bill Inquiries: 213.542.8074  
accountsreceivable@hbblaw.com

Tax ID: 95-1605271

Renee Hendrick  
ORANGE COUNTY BOARD OF EDUCATION  
200 Kalmus Drive  
Costa Mesa, CA 92626-5922

#### Remit To:

Haight Brown & Bonesteel LLP  
P.O. Box 17939  
Los Angeles, CA 90017-0939  
Attn, Accounts Receivable

Invoice No.: 3273819

Client/Matter: OC18-0000004

Billing Atty: GREGORY J. ROLEN

April 4, 2024

#### PROFESSIONAL SERVICES RENDERED through March 31, 2024

Total Fees This Invoice	\$ 44,205.50
Total Costs Advanced This Invoice	\$ 25,861.60
Interest	\$ 12.64
Total Fees and Costs This Invoice	\$ <u>70,079.74</u>
Balance Forward	\$ 71,977.75
<b>Total Due Upon Receipt</b>	<b>\$ <u>142,057.49</u></b>

**PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE**

LOS ANGELES " ORANGE COUNTY " RIVERSIDE " SACRAMENTO " SAN DIEGO " SAN FRANCISCO

24

ORANGE COUNTY BOARD OF EDUCATION

BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent  
FROM: Dean West, CPA, Associate Superintendent, Business Services  
SUBJECT: Orange County Department of Education Investment Policy

In accordance with Government Code Section 53646, government agencies may annually render an investment policy to be considered at a public meeting. This policy is for the investment of funds held by the Orange County Department of Education (the "Department") and also governs the issuance of debt by the Department. The policy is based upon federal, state, and local laws, and prudent money management practices. The only changes from the previous policy are the date of the Board meeting on the cover and the date in Section VIII. The primary goals of this policy are:

- To assure compliance with all federal, state, and local laws governing the investment of monies and the issuance of debt;
- To protect the principal deposits of the Department; and
- To generate investment income within the parameters of this policy.

---

RECOMMENDATION:

Adopt the annual updated Orange County Department of Education Investment Policy.

DW: hb



**ORANGE COUNTY**

**DEPARTMENT OF EDUCATION**

**INVESTMENT POLICY**

**MAY 1, 2024**

# ORANGE COUNTY DEPARTMENT OF EDUCATION

## INVESTMENT POLICY

### I. PURPOSE:

To establish a policy for investment of funds held by the Orange County Department of Education (the “Department”). The policy also governs the issuance of debt by the Department. This policy is based upon federal, state, and local laws, and prudent money management practices. To the extent that this policy conflicts with applicable law, the applicable law shall prevail. The primary goals of this policy are:

- To assure compliance with all federal, state and local laws governing the investment of monies and the issuance of debt;
- To protect the principal deposits of the Department; and
- To generate investment income within the parameters of this policy.

### II. POLICY:

The Department’s primary investment objective shall be to maintain the safety and liquidity of its funds. Safety of principal is the foremost objective of the Department. The investment factors the Department shall consider, in order of descending importance, are the following:

- Safety of invested funds;
- Sufficient liquidity to meet future cash flow requirements; and
- Attain maximum yield consistent with the aforementioned requirements.

In addition, the Department shall adopt measures as set forth herein to ensure that the issuance of debt by the Department complies with all applicable state and federal laws, including federal and state securities laws.

The County Superintendent of Schools (“County Superintendent”), or his designee, under the direction of the Board of Education, shall have the responsibility for all decisions and activities performed under the Department’s investment policy. The County Superintendent shall have the ability to allocate resources or delegate responsibility as necessary to optimize the safety and liquidity of the investment portfolio and to implement this investment policy.

**III. LEGAL CONSTRAINTS:**

Pursuant to California Education Code Section 41001, the Department shall deposit all funds received or collected from any source into the Orange County Treasury, to be placed to the credit of the proper fund of the Department, except as otherwise provided herein. Pursuant to California Education Section 41015, the Department may invest all or part of funds deposited in a Special Reserve Fund or any surplus monies not required for the immediate necessities of the Department in any of the investments specified in California Government Code Sections 16430 or 53601. Special Reserve Funds are defined as those funds which the Board of Education has designated for capital outlay or other purposes where an accumulation over a period of fiscal years is desired.

**IV. AUTHORIZED INVESTMENTS:**

The Department shall make investments in the context of the “Prudent Investor Rule” (Probate Code Section 16045 et seq.), which in substance states that:

Investment shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence, exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The Department shall deposit all funds received or corrected from any source into the Orange County Treasury, except as provided for through the California Education Code. Those funds maintained in a Special Reserve Fund or any surplus funds not required for the immediate necessities of the Department shall be available for investment (“funds available for investment”) under the conditions set forth in the policy.

1. The Orange County Investment Pool(s) established by the Orange County Treasurer for the benefit of local agencies and/or schools. The Department may invest up to one-hundred percent (100%) of its funds available for investment in the Orange County Investment Pool(s).
2. The Local Agency Investment Fund (LAIF) established by the California State Treasurer for the benefit of local agencies. The Department may invest up to the current LAIF limit of seventy-five million dollars (\$75,000,000) of its funds available for investment in the Local Agency Investment Fund.

3. To the extent that the Department directs the investment of its funds to specific securities, those securities shall be limited to the securities identified in California Government Code Section 53601. However, the Department will not, under any circumstances, direct the investment of its funds to reverse repurchase agreements unless such transactions are matched to maturity.

Monies received from the sources, or for the purposes, listed below may be deposited in a bank or other financial institution. Monies so deposited shall be in a fully-insured or collateralized account(s) or instrument(s). Bank accounts maintained outside the County Treasury shall be limited to the following purposes:

- (a) Cash Clearing Account  
Purpose: To deposit accounts receivable checks then write check to County Superintendent once checks have cleared.
- (b) Revolving Cash  
Purpose: Emergency transactions and accounts payable.
- (c) Payroll Revolving Cash  
Purpose: Emergency transactions for payroll.
- (d) County Superintendent of Schools – Golden West Adult Transition Program  
Purpose: This account was created to help with a special education program that is funded from the Medi-Cal Health Collaborative.
- (e) TRANS Proceeds  
Purpose: In the event that Tax Revenue Anticipation Notes (TRANS) are issued, the proceeds would be deposited into this account.

**V. COMPLIANCE WITH STATE AND FEDERAL SECURITIES LAWS:**

The Department will take reasonable steps to ensure that any debt offerings issued by the Department comply fully with all applicable state and federal securities laws. In connection with all debt offerings issued by the Department, the Department will retain bond counsel and disclosure counsel to review the offering materials prepared in connections with the debt offering to ensure that disclosures contained in offering materials comply with federal and state securities laws. The Associate Superintendent for Business shall be responsible for reviewing the offering materials regarding the accuracy of information disclosed in such materials.

**VI. DEPOSIT OF PROCEEDS FROM THE ISSUANCE OF DEBT:**

The Department shall not issue debt, for the sole purpose of generating funds for investment. The Department shall limit the issuance of debt for the purposes of meeting short-term cash flow needs to fund capital projects.

When depositing proceeds from the issuance of debt into the County Treasury, the Department shall limit such investments to those authorized investment identified in this policy. Should a trust agreement of a particular debt issued by the Department be more restrictive than the Department's policy on authorized investments, then the trust agreement will take precedence.

**VII. INVESTMENT REVIEW:**

The Associate Superintendent for Business will review monthly reports on investment performance, with the objectives of safety, liquidity and yield.

**VIII. CHANGES TO INVESTMENT POLICY:**

This policy dated May 1, 2024, has been submitted to the Board of Education for review and approval. This policy will be reviewed at least annually to ensure its consistency with the objectives of income, growth and safety, and changes in applicable laws and financial trends. Any proposed amendments to the Investment Policy will require approval by the Board of Education.

**IX. FINANCIAL PROFESSIONAL'S COMPLIANCE WITH INVESTMENT POLICY:**

All outside investment advisors/managers, attorneys and other financial professionals employed or retained by the Department and/or its representatives, including without limitation financial advisors, underwriters, bond counsel, and disclosure counsel, must review this policy and sign a statement of compliance confirming that they have reviewed this investment policy and will fully comply with these policies. A copy of this Statement of Compliance is attached as Exhibit "A."

**EXHIBIT "A"**

**STATEMENT OF COMPLIANCE WITH INVESTMENT POLICIES**

**ADOPTED BY THE ORANGE COUNTY DEPARTMENT OF EDUCATION**

The undersigned has been retained to perform services for the Orange County Department of Education. The undersigned has been provided with a copy of the Orange County Department of Education Investment Policies and has reviewed the Investment Policy thoroughly. In providing services to the Department, the undersigned agrees to comply fully with all of the policies and procedures set forth in the Investment Policies.

Date: \_\_\_\_\_

BY: \_\_\_\_\_

RT\*

ORANGE COUNTY BOARD OF EDUCATION

BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent  
FROM: Tim Shaw, Board President  
Lisa Sparks, Ph.D., Vice President  
SUBJECT: Board Travel

---

RECOMMENDATION:

Approval of Board President Shaw and Vice President Sparks reimbursements for travel to Sacramento to attend the Senate Education Committee meeting regarding SB 907 on April 16, 2024. The total cost of airfare, taxi, shuttle, and meals is \$1,286.58.

**ORANGE COUNTY BOARD OF**  
**BOARD AGENDA ITEM**

Item: Charter Schools #15  
May 1, 2024  
 Mailed     Distributed at meeting

24

**DATE:** May 1, 2024  
**TO:** Renee Hendrick, Deputy Superintendent  
**FROM:** Aracely Chastain, Director, Charter Schools  
**SUBJECT:** Public Hearing – Orange County Classical Academy Material Revision

---

**DESCRIPTION:**

On March 15, 2024, Orange County Classical Academy submitted a material revision to add a school facility within the boundaries of Orange Unified School District at 2190 N. Canal St., Orange, CA, 92869, effective the 2024-25 academic year.

---

**RECOMMENDATION:**

Per California Education Code, the Orange County Board of Education shall hold a public hearing on the provisions of the Orange County Classical Academy amended charter petition and consider the level of support for the material revision at the May 1, 2024, board meeting.



*RW*

**ORANGE COUNTY BOARD OF**

**BOARD AGENDA ITEM**

**DATE:** May 1, 2024  
**TO:** Renee Hendrick, Deputy Superintendent  
**FROM:** Aracely Chastain, Director, Charter Schools  
**SUBJECT:** Public Hearing – Magnolia Science Academy Orange County Countywide Charter Petition

---

**DESCRIPTION:**

On January 31, 2024, Magnolia Education and Research Foundation, dba Magnolia Public Schools, a California nonprofit public benefit corporation, submitted a countywide charter school petition to operate Magnolia Science Academy-Orange County. The Orange County Board of Education held a public hearing on March 6, 2024, to consider the level of support for the charter school.

---

**RECOMMENDATION:**

Per California Education Code, on May 1, 2024, the Orange County Board of Education shall hold a public hearing to grant or deny the Magnolia Science Academy Orange County countywide petition. At the public hearing, petitioners shall have equal time and opportunity to present evidence and testimony responsive to the Orange County Department of Education staff recommendations and findings published on April 16, 2024.



# MEMO

ORANGE COUNTY DEPARTMENT OF EDUCATION

---

April 16, 2024

**To:** Members, Orange County Board of Education

**From:** Orange County Department of Education Charter Schools Unit

**Re:** Staff Recommendations and Findings – Magnolia Science Academy Orange County

## INTRODUCTION

The following is a summary of the review conducted by Orange County Department of Education staff of the countywide charter school petition submitted by Magnolia Educational and Research Foundation, dba Magnolia Public Schools, proposing to establish Magnolia Science Academy Orange County as a countywide charter school, and recommendations for consideration by the Orange County Board of Education (the Board).

The Board must take action to either grant or deny the charter within ninety (90) days of receipt of the petition unless this date is extended by up to an additional 30 days if all parties agree to the extension. Board action is scheduled for the Board’s regular meeting on May 1, 2024.

Based on information gathered throughout the review process, which included a clarification meeting held with petitioners on March 11, 2024, Orange County Department of Education staff recommend approval of the Magnolia Science Academy Orange County countywide charter petition.

## I. BACKGROUND

On January 31, 2024, the Board received a petition proposing to establish Magnolia Science Academy Orange County as a countywide charter school. Magnolia Educational and Research Foundation would operate Magnolia Science Academy Orange County, dba Magnolia Public Schools., a California nonprofit public benefit corporation currently operating one charter school in Orange County, one in San Diego County, and eight in Los Angeles County. Magnolia Science Academy Orange County proposes to utilize the 2024-25 academic year for planning purposes and to begin serving students in grades transitional kindergarten through grade twelve in the 2025-26 academic year.

On March 6, 2024, the Board held a public hearing on the provisions of the charter petition to consider the level of support for the petition by teachers, parents or guardians, and the school districts where the petitioner proposes to open school facilities.

## II. LEGAL STANDARD

The overall statutory scheme of the Charter Schools Act reflects a preference for charter schools that are locally authorized by the school district in which the charter school operates. As a result, to approve a countywide charter petition, a county board of education must be able to make specific threshold findings in addition to determining whether the petition satisfies the legal standards and criteria under Education Code section 47605.6(b)(1)-(5). Specifically:

“A county board of education may approve a countywide charter only if it finds, in addition to the other requirements of this section, that the educational services to be provided by the charter school will offer services to a pupil population that will benefit from those services and that cannot be served as well by a charter school that operates in only one school district in the county.” Education Code §47605.6(a)(1)

Additionally, Education Code section 47605.6(b) states:

“A county board may grant a charter for the operation of a charter school under this part only if it is satisfied that granting the charter is consistent with sound educational practice and that the charter school has reasonable justification for why it could not be established by petition to a school district pursuant to Education Code section 47605.”

Should the charter school petition meet the threshold requirement for a countywide charter school, the Board must then determine whether the petition satisfies the legal standards and criteria under Education Code section 47605.6(b)(1)-(5). The Board shall deny a petition for the establishment of a charter school if it finds one or more of the following:

- (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).
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (e).
- (5) The petition does not contain reasonably comprehensive descriptions of the required elements under Education Code section 47605.6.
- (6) The petition does not contain a declaration of whether or not the charter school shall be deemed the exclusive public school employer of the employees of the charter school for

purposes of the Educational Employment Relations Act Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code.

(7) Any other basis that the county board of education finds justifies the denial of the petition.

Should the Board approve the petition, the Board would become the charter authorizer for the charter school. Should the Board deny the petition, there is no right to appeal to the State Board of Education (5 CCR § 11966.5). However, the petitioners would have the option to submit charter petitions to the school districts in which they propose to operate under Education Code section 47605.

### **III. SUMMARY OF FINDINGS**

The Magnolia Science Academy Orange County charter petition and all related information received concerning the charter petition were reviewed and considered, including information presented at the public hearing. The Magnolia Science Academy Orange County charter petition meets the standards outlined in Education Code 47605.6. The educational program to be provided by the charter school will offer services to a pupil population that will benefit from those services and cannot be served as well by the charter school that operates in only one school district in the county.

### **IV. STAFF RECOMMENDATION**

OCDE staff recommend that the Board approve the Magnolia Educational and Research Foundation, dba Magnolia Public Schools petition to establish Magnolia Science Academy Orange County as a countywide charter school for a term of five years from July 1, 2024, to June 30, 2029, and approve the standard Agreement that delineates the operational relationship between the parties with the understanding that charter school will enter into said Agreement by July 2024.

### **V. CONCLUSION**

The Board has three options for action regarding a countywide charter school petition:

- Option One: Approve the charter petition.
- Option Two: Approve the charter petition with conditions. This action would result in the approval of the charter petition and require the execution of an Agreement to address concerns raised by the Board and establish appropriate timelines for the petitioners to meet the conditions as specified.
- Option Three: Deny the charter petition.

\* \* \*

2\*

**ORANGE COUNTY BOARD OF**

**BOARD AGENDA ITEM**

**DATE:** May 1, 2024  
**TO:** Renee Hendrick, Deputy Superintendent  
**FROM:** Aracely Chastain, Director, Charter Schools  
**SUBJECT:** Board Action – Magnolia Science Academy Orange County Countywide Petition

---

**DESCRIPTION:**

On January 31, 2024, Magnolia Education and Research Foundation, dba Magnolia Public Schools, a California nonprofit public benefit corporation, submitted a countywide charter school petition to operate Magnolia Science Academy Orange County. Per California Education Code 47605.6, the Orange County Board of Education held public hearings on March 6, 2024, and May 1, 2024.

The Orange County Board of Education has three options for action regarding a countywide charter school petition:

- Option One: Approve the charter petition.
  - Option Two: Approve the charter petition with conditions. This action would result in the approval of the charter petition and require the execution of an Agreement to address concerns raised by the Board and establish appropriate timelines for the petitioner to meet the conditions as specified.
  - Option Three: Deny the charter petition.
- 

**RECOMMENDATION:**

Orange County Department of Education staff recommend that the Board approve the Magnolia Science Academy Orange County petition to operate as a countywide charter school for an initial five-year term from July 1, 2024, to June 30, 2029.

**RESOLUTION AND WRITTEN FINDINGS  
OF THE ORANGE COUNTY BOARD OF EDUCATION  
TO APPROVE THE PETITION FOR A COUNTYWIDE CHARTER SCHOOL  
FOR MAGNOLIA SCIENCE ACADEMY ORANGE COUNTY**

**WHEREAS**, the Legislature has enacted the Charter Schools Act of 1992, Education Code section 47600 et seq.;

**WHEREAS**, Education Code section 47605.6 states that a county board of education may approve a countywide charter only if it finds, in addition to the other requirements of this section, that the educational services to be provided by the charter school will offer services to a pupil population that will benefit from those services and that cannot be served as well by a charter school that operates in only one school district in the county;

**WHEREAS**, Education Code section 47605.6 states that the county board of education may impose any additional requirements beyond those required by Education Code section 47605.6 that it considers necessary for the sound operation of a countywide charter school.

**WHEREAS**, Education Code section 47605.6 states that the county board of education may grant a charter for the operation of a charter school under this part only if it is satisfied that granting the charter is consistent with sound educational practice and that the charter school has reasonable justification for why it could not be established by petition to a school district pursuant to Education Code section 47605;

**WHEREAS**, Education Code section 47605.6(b) states that, after receiving a petition, the County Board must hold a public hearing within 60 days to consider the petition, and is required to take action to either grant or deny the charter within ninety (90) days of receipt of the petition, unless this date is extended by up to an additional 30 days by agreement;

**WHEREAS**, the county board of education 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 stating the reasons for the denial of the charter petition;

**WHEREAS**, on January 31, 2024, the Orange County Board of Education (“Board”) received a petition from the Magnolia Educational & Research Foundation., doing business as Magnolia Public Schools., a California nonprofit public benefit corporation, for the operation of Magnolia Science Academy Orange County (“Petition”);

**WHEREAS**, on March 6, 2024, the Board held a public hearing on the Petition and received public comment thereon;

**WHEREAS**, on April 16, 2024, the Board published a Staff Report, with recommended findings, prepared by staff members of the Orange County Department of Education (“OCDE”);

**WHEREAS**, on May 1, 2024, the Board at its regular meeting held a public hearing, at which the Petitioners had equivalent time and procedures to present evidence and testimony to respond to the staff recommendations and findings, to grant or deny the petition;

**NOW, THEREFORE, BE IT RESOLVED** that the Board reviewed and considered the Petition and related information received with respect to the Petition, including information presented at the public hearings and in the Staff Report in accordance with Education Code sections 47605.6;

**BE IT FURTHER RESOLVED** that the Board finds that the educational services to be provided by Magnolia Science Academy Orange County will offer services to a pupil population that will benefit from those services and cannot be served as well by the charter school that operates in only one school district in the county;

**BE IT FURTHER RESOLVED** that the Board approves the Petition for a charter school by Magnolia Educational & Research Foundation, doing business as Magnolia Public Schools, a California nonprofit public benefit corporation, for the operation of Magnolia Science Academy Orange County for an initial charter term from July 1, 2024 through June 30, 2029;

**BE IT FURTHER RESOLVED** that the Board approves the standard Agreement with the understanding that Magnolia Science Academy Orange County will enter into said Agreement that addresses the operational relationship between the School, the Board and OCDE no later than the Board’s regularly scheduled meeting in August 2024. Should the Petitioner and Board fail to reach agreement by the regularly scheduled meeting in August 2024, the Board reserves the right to take further action, including but not limited to revoking its approval of the charter. The terms of this Resolution are severable.

STATE OF CALIFORNIA )  
COUNTY OF ORANGE )  
\_\_\_\_\_ )

I, Mari Barke, Clerk of the Orange County Board of Education, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the Orange County Board of Education at a regular meeting thereof held on the 1st day of May 2024, and that it was so adopted by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

BY:

\_\_\_\_\_  
Clerk of the Orange County Board of Education

Resolution # \_\_\_\_\_



**AGREEMENT BETWEEN**  
**ORANGE COUNTY BOARD OF EDUCATION AND**  
Charter School Nonprofit  
**FOR THE OPERATION OF Charter School**

<b>STANDARD TEMPLATE</b>
------------------------------

This Agreement is made and entered into this xx day of month year, by and between the Orange County Board of Education (“Board”) and nonprofit name., a nonprofit public benefit corporation operating charter school name (hereinafter collectively referred to as “Charter School”). Hereinafter, the Board and Charter School shall be collectively referred to as “the Parties,” and the Board-designated staff of the Orange County Superintendent of Schools (“County Superintendent”) shall be referred to as “OCDE.”

**I. INTRODUCTORY PROVISIONS**

- A. The Board approved the Charter School’s petition for a five-year period from start date, through end date.
- B. Charter School will be operated by a nonprofit public benefit corporation, formed and organized pursuant to the Nonprofit Public Benefit Corporation Law (Corp. Code section 5110 et seq.). Charter School is the California nonprofit public benefit corporation operating the Charter School. Charter School shall ensure that at all times throughout the term of its charter, the terms and conditions of any agreement between Charter School and a third party, as well as the Articles of Incorporation and Bylaws of Charter School, as they pertain to Charter School are and remain consistent with the Charter Schools Act, all applicable laws and regulations, provisions of the charter, and this Agreement. Charter School will notify OCDE of any amendments or modifications to the nonprofit public benefit corporation’s articles of incorporation within **ten (10) business days** of the change. Amendments or modifications to the bylaws may require approval by the Board as a material revision to the petition.
- C. The purpose of this Agreement is to set forth the responsibilities of the Parties with respect to the operational relationship between Charter School, the Board, and OCDE; to address those matters that require clarification; and to outline the Parties’ agreements governing their respective fiscal and administrative responsibilities and their legal relationships. To the extent this Agreement contains terms inconsistent with the terms of the charter approved on date, the terms of this Agreement shall control.

**II. TERM OF AGREEMENT**

- A. This Agreement is effective from the date upon which it is approved by the governing boards of each Party for the term of the charter, shall be reviewed at least annually, and may be amended at any time with written mutual agreement of the Parties.
- B. The approved Agreement continues in existence until Charter School voluntarily closes or its charter is non-renewed or revoked, and closure procedures are completed, as determined by the Board and Charter School, after which the Agreement automatically expires. This Agreement is subject to termination during the charter term or during any subsequent renewal as specified by law or as otherwise set forth in this Agreement.
- C. Charter School may seek renewal of its charter by submitting a renewal request to the Board prior to the expiration of the term of the charter, and the Board will evaluate and decide on the renewal request in accordance with Education Code sections 47607, 47607.2, and 47605, and their implementing regulations. Charter School will submit its renewal petition for the new charter term to OCDE no sooner than **September 1** and no later than **March 1** of the final school year for which Charter School is authorized to operate.

### III. FULFILLING CHARTER TERMS

#### A. Governance

1. Charter School acknowledges and agrees it shall comply with the Public Records Act, the Political Reform Act, the Ralph M. Brown Act, Government Code section 1090 et seq. as set forth in Education Code section 47604.1, and all applicable laws and regulations as they may be amended or added during the term of the charter, including all conflict of interest laws, federal and state nondiscrimination laws, and prohibitions against unauthorized student fees.
2. Charter School, the Board and OCDE are separate legal entities. OCDE is not the chartering authority and shall not be liable for the debts or obligations of the Charter School or for claims arising from the performance of acts, errors, or omissions by Charter School. The Board, as the chartering authority, shall not be liable for the debts or obligations of the charter school or for claims arising from the performance of acts, errors, or omissions by the charter school in accordance with Education Code section 47604(d).
3. Within **ten (10) business days** of Charter School board meetings, including special and emergency board meetings, Charter School shall provide OCDE with a complete audio recording of the meeting and all materials provided to the governing board by its administration, contractors, or the public including approved previous meeting minutes, except for confidential communications as defined in Evidence Code section 952 and Government Code section 54963. Charter School will update OCDE of any changes to the Charter School board calendar within **ten (10) business days**.
4. Charter School will provide Brown Act and conflict of interest training to its governing board members and administrative staff within **45 days** of taking office or becoming employed, or as otherwise agreed with OCDE, and **at least once every year**. Charter School will certify that the trainings have been provided to the specified individuals.

#### B. Educational Program

1. Independent Study: Any independent study program operated by Charter School shall comply with all applicable laws and regulations regarding independent study. Charter School may, on a case-by-case basis, use short-term independent study contracts for students who receive prior approval for absences. Any such independent study will be limited to occasional, incidental instances of extended absences due to travel or extended illness. Any such independent study will be limited to occasional, incidental instances of extended absences and must be fully compliant with all independent study statutes and regulations applicable to charter schools.
2. Family Educational Rights and Privacy Act (FERPA): Charter School, its officers and employees will comply with FERPA and the California Education Code sections related to student information protection at all times. Charter School will authorize OCDE to access educational records maintained by Charter School, in accordance with FERPA, and provide notice of such in Charter School policies and Parent/Student Handbook.

#### C. Fiscal Operations

1. Charter School will be directly funded in accordance with Chapter 6 (commencing with Section 47630) of Division 4 of Title 2 of the Education Code. The Parties recognize the authority of Charter School to pursue additional sources of funding.
2. The Parties agree that OCDE is not responsible to provide funding in lieu of property taxes to Charter School.

3. Charter School shall comply with Generally Accepted Accounting Principles (GAAP) applicable to public school finance and fiscal management.
4. Charter School shall adopt accounting policies and practices that establish separate accounts and/or sub-accounts for each affiliated charter school. The expenses attributable to each charter school shall be paid only from the account or sub-account of that charter school. Invoices, purchase orders, and other appropriate documentation shall be maintained by Charter School and shall be deemed to be public records subject to disclosure to OCDE upon request.
  - a) Each year Charter School shall make all records relating to the expenses of all affiliated charter schools available to OCDE and Charter School's auditor for review and audit to ensure that all expenses are appropriately allocated. In addition, Charter School shall promptly respond as required by Education Code section 47604.3.
  - b) Each year Charter School shall provide an updated organizational chart of all affiliated charter schools and all related parties operated or otherwise controlled by the same nonprofit public benefit corporation.
  - c) Charter School may temporarily loan funds between schools that it operates pursuant to a resolution approved by its Board of Directors that specifies the duration and interest rate of the loan and understands and agrees to provide access to records of Charter School and its affiliated charter schools, upon request from OCDE in accordance with Education Code section 47604.3.
5. Charter School shall establish a fiscal plan for repayment of any loans received by and/or on behalf of Charter School. It is agreed that OCDE shall receive written notice of all loans received by the Charter School, and repayment of loans shall be the sole responsibility of Charter School.
6. Charter School will use all revenue received from the state and federal sources only for the educational services specified in the charter and this Agreement for the students enrolled and attending Charter School. Other sources of funding must be used in accordance with applicable state and federal statutes and the terms or conditions, if any, of any grant or donation.

D. Fiscal Agent

1. The Parties agree that neither the Board nor OCDE shall act as fiscal agent for Charter School. It is agreed that Charter School shall be solely responsible for all fiscal services such as payroll, purchasing, attendance reporting, and completion and submission of state budget forms but may contract with OCDE for such services by way of a separate written contract.
2. Charter School is responsible for establishing the appropriate funds or accounts in the Orange County Treasury for Charter School and for making the necessary arrangements for Charter School's participation in the State Teachers' Retirement System, the Public Employees' Retirement System, or social security. Nothing in this paragraph shall be interpreted to mean that Charter School must maintain all funds in the County Treasury. If funds are not maintained in the County Treasury, they must be deposited with a federally insured commercial bank or credit union.
  - a) OCDE will only withdraw funds from the Orange County Treasury to a charter school-owned bank account. Bank account name must match the charter school name or a Doing Business As (DBA) reference. No fund transfers will be made to a third party.
  - b) Orange County Treasury withdrawals will take place two (2) times per month. The first withdrawal will take place on the 10<sup>th</sup> day of each month, and the second withdrawal will take place at the end of each month.

- c) Charter school's Orange County Treasury account will maintain a minimum balance that is sufficient to cover one month of CalSTRS and CalPERS retirement contributions.

E. Student Attendance Accounting and Reporting

Charter School shall utilize commercially available attendance accounting software.

F. Oversight Fees

1. Charter School will be charged an annual oversight fee not to exceed one percent (1%) of the revenue received by Charter School in accordance with Education Code section 47613. The oversight fee will be calculated on the LCFF base grant, supplemental grant and concentration grant funding provided at the First Principal Apportionment (P-1). The amount will be calculated in **April of each year** based upon first principal apportionment (P-1) data for ninety-five percent (95%) of the estimated total. The calculation will also include an adjustment for the preceding year based upon final revenue for that year.
2. Payment Schedule: Charter School shall pay to County Superintendent its actual oversight costs not to exceed one percent (1%) of the LCFF base grant, supplemental grant, and concentration grant revenue received by Charter School ("Oversight Fee") in two equal payments during each Fiscal Year: (1) First Payment -- fifty percent (50%) of the Oversight Fee will be paid on or about **January 15**; and (2) Second Payment -- the remaining fifty percent (50%) plus any adjustment necessary to the First Payment, will be paid on or about **June 15**. County Superintendent will bill Charter School for the Oversight Fee that is due, and Charter School shall make payment within thirty (30) days from the date of receipt of the bill, or thirty-two (32) days from the date of the bill. If County Superintendent does not receive the payment within the above-specified timeframe, Charter School hereby authorizes County Superintendent to transfer the payment from Charter School account to County Superintendent's account upon expiration of the thirty (30) days from the receipt of the bill or thirty-two (32) days from the date of the bill.

G. Insurance and Liability

1. Charter School will provide certificates of insurance coverage to OCDE prior to opening and annually thereafter. The certificates shall indicate that the Board, County Superintendent, and OCDE are endorsed as additional insured under the coverage and shall include a provision that the coverage will be primary and will not participate with any valid and collectible insurance or program of self-insurance carried or maintained by the Board, County Superintendent or OCDE. Exhibit A, Insurance Coverage and Policies indicates the minimum insurance requirements and is incorporated by reference herein. Charter School shall forward any written notice to OCDE within **three (3) business days** of any modification, change or cancellation of any of the above insurance coverage. It shall be expressly understood that the coverage and limits referenced herein shall not in any way limit the liability of Charter School. In addition, Charter School shall assure that its vendors have adequate insurance coverage for the goods and/or services provided to Charter School to protect the interests of Charter School as well as OCDE, the Board and the County Superintendent.
2. Charter School shall hold harmless, defend, and indemnify the Board, the County Superintendent, and OCDE, its officers, agents, and employees from every liability, claim, or demand (including settlement costs and reasonable attorneys' fees) which may be made by reason of: 1) any injury to volunteers; and 2) any injury to person or property sustained by any person, firm or Charter School related to any act, neglect, default or omission of Charter School, its officers, employees or agents, including any claims for any contractual liability resulting from third party contracts with Charter School's vendors, contractors, partners or sponsors. In cases of such liabilities, claims or demands, Charter School, at its

own expense and risk, shall defend all legal proceedings which may be brought against it and/or the Board, the County Superintendent or OCDE, its officers and employees, and satisfy any resulting judgments up to the required Agreements that may be rendered against any of them. Notwithstanding the foregoing: (a) any settlement requiring the Board, the County Superintendent or OCDE to admit liability or to pay any money will require the prior written consent of the Board, the County Superintendent or OCDE, as applicable; and (b) the Board, County Superintendent and/or OCDE may join in the defense with its counsel at its own expense.

3. Charter School understands and agrees that its employees, contractors, subcontractors and agents shall not be considered officers, employees or agents of the Board, the County Superintendent or OCDE, and are not entitled to benefits of any kind or nature normally provided to OCDE employees. Charter School further assumes the full responsibility for acts and/or omissions of its employees, agents or contractors as they relate to the services to be provided under the charter and this Agreement. Charter School shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance (as applicable), social security and income tax withholding with respect to employees of Charter School.
4. Required Disclosures: Charter School shall notify OCDE in writing within **three (3) business days** of any pending or actual litigation and/or formal claim from any party or notice of potential criminal infraction, criminal or civil action against Charter School or any employee, or request for information by any governmental agency to the extent permitted by law. Charter School acknowledges and agrees it shall comply with all applicable laws and regulations as may be amended or added during the term of the charter.

#### H. Human Resources

STRS and PERS Reporting Requirements: Charter School shall accept and assume sole financial responsibility for any and all STRS and PERS reporting fines and penalties, including any and all financial consequences from the implementation of regulations, or any other action, that renders employees of Charter School ineligible to participate in a governmental defined-benefit retirement plan.

#### I. Contracts

1. Charter School shall not have the authority to enter into a contract that would bind the Board, County Superintendent and/or OCDE, nor to extend the credit of the Board, County Superintendent and/or OCDE to any third person or Party. Charter School shall clearly indicate in writing to vendors and other entities with which or with whom Charter School enters into an agreement or contract that the obligations of Charter School under such agreement or contract are solely the responsibility of Charter School and are not the responsibility of the Board, County Superintendent and/or OCDE.
2. Charter School shall ensure that all contracts for goods and services comply with the criteria noted in Title 5, section 11967.5.1 of California Code of Regulations. Charter School shall comply with bidding requirements tied to receipt of any state, federal or grant funds that require compliance with bidding that is more stringent or purchasing requirements. Additionally, records and information regarding implementation of the contract will be provided to OCDE in accordance with Education Code section 47604.3.
3. Charter School will make every effort to ensure that vendors comply with all reasonable inquiries by OCDE for records and information related to this contract.
4. Charter/Education Management Organization (C/EMO) Contracts:

Entering into or substantively revising a contract with an Educational Charter Management

Organization (E/CMO) shall be presented to the Board for approval as a material revision to the charter.

Charter School shall ensure the following for any C/EMO contract:

- a) Require that any C/EMO contract (or revision to an agreement) that is entered into be in compliance with state and federal law and the charter and includes language that:
  - i. None of the principals of either the C/EMO or Charter School has conflicts of interest.
  - ii. C/EMO shall comply with Education Code section 47604.3 and the California Public Records Act, Government Code section 6250 et. seq.
  - iii. Any provision of the agreement that is in violation of state or federal law or the charter is void.
- b) Upon approval by Charter School board, Charter School shall provide OCDE a copy of the following:
  - i. C/EMO agreement (or revision to an agreement).
  - ii. Evidence that the C/EMO is a nonprofit public benefit corporation.
  - iii. A description of the C/EMO's roles and responsibilities for the management of Charter School and the internal controls that will be put in place to guide the relationship.
  - iv. A list of other schools managed by the C/EMO.
  - v. A list of and background on the C/EMO's leaders and board of directors.

#### J. Facilities Agreement

1. Prior to opening, Charter School will provide a written signed agreement, lease or other similar document indicating Charter School's right to use the principal school site identified in the charter, and any ancillary facilities identified by Charter School, for that school year unless Charter School has previously provided a long term lease that includes the school year at issue, and evidence that the facility will be adequate for Charter School's needs.
2. A pre-opening site visit shall be conducted by OCDE prior to the opening of Charter School. Once open, Charter School must request a material revision to the charter petition in order to change facilities. Following an approved revision to the charter, OCDE will conduct, without unreasonable delay, a site visit of a new or changed Charter School facility prior to students attending the new facilities. Under extraordinary circumstances (e.g., a change of facilities necessitated by fire, natural disaster or inhabitability), the Parties may waive the pre-opening site visit.

#### K. Zoning and Occupancy

1. Charter School shall provide OCDE with a Certificate of Occupancy issued by the applicable permitting agency, allowing Charter School to use and occupy the site prior to opening, unless Charter School is located at a public school site provided pursuant to Proposition 39 or other facilities use agreement with a school district. In lieu of the zoning certification, Charter School can provide OCDE with evidence that zoning ordinances have been overridden by the school district in which the facility is located or by another entity authorized to override zoning ordinances pursuant to current or then applicable state law. The facility must meet all applicable health and fire code requirements, zoning laws, and Americans with Disabilities Act (ADA) requirements for a K-12 public school.

2. If Charter School moves or expands to another facility during the term of this charter, Charter School shall provide a Certificate of Occupancy to OCDE for each facility before the school is scheduled to open or operate in the facility or facilities. If Charter School ever seeks facilities from a school district in which it intends to locate (or is located) under Education Code section 47614 (Proposition 39), it will follow applicable statutes and regulations regarding submission of such a request to the school district.
3. Notwithstanding any language to the contrary in this charter, the interpretation, application and enforcement of this provision are not subject to the Dispute Resolution Process outlined in the charter. The Parties agree that should a dispute arise under this section, they will meet to attempt to resolve any concerns within ten calendar days of the dispute.

#### L. Dispute Resolution

The Parties acknowledge and agree that in addition to the provisions of the charter, dispute resolution procedures shall be consistent with applicable laws and regulations, including Education Code section 47607(g). The staff and governing board members of Charter School agree to resolve any claim, controversy or dispute arising out of or relating to the Charter agreement between OCDE and Charter School, except any controversy or claim that is in any way related to revocation of this Charter School, pursuant to the terms of the dispute resolution procedures in the charter.

### IV. MATERIAL REVISIONS

Modifications of the approved charter must be in writing and submitted to OCDE for review and determination as to whether such amendments must be submitted to the Board as a material revision to the charter. Such amendments may only be submitted to the Board upon the approval of Charter School's board and will take effect only if approved by the Board.

### V. SEVERABILITY

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

### VI. NON-ASSIGNMENT

No portion of this Agreement or the Charter petition approved by the Board may be assigned to another entity without the prior written approval of the Board.

### VII. WAIVER

A waiver of any provision or term of this Agreement must be in writing and signed by both Parties. Any such waiver shall not constitute a waiver of any other provision of this Agreement. All Parties agree that neither Party to this Agreement waives any of the rights, responsibilities and privileges established by the Charter Schools Act of 1992.

### VIII. NONDISCRIMINATION

The Parties recognize and agree that in addition to complying with all nondiscrimination requirements of the Charter Schools Act, including agreement that Charter School shall not charge tuition, shall be nonsectarian, and pursuant to Education Code section 200 et seq., Charter School shall be open to all students. In addition to these nondiscrimination provisions, Charter School shall not discriminate against applicants or employees on the basis of any characteristics or categories protected by state or federal law. Charter School acknowledges and agrees that it shall comply with all applicable federal and state nondiscrimination laws and regulations as they may be amended.

**IX. NOTIFICATION**

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

To OCDE at:

Renee Hendrick, Deputy Superintendent  
Orange County Department of Education  
200 Kalmus Drive  
Costa Mesa, CA 92626-9050

To Non profit name at:

Name  
Address  
City, State, Zip

**X. INTEGRATION**

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

**XI. ORDER OF PRECEDENCE**

The Parties further acknowledge and agree that, unless otherwise noted in this Agreement, any inconsistency in the charter shall be resolved by giving precedence in the following order:

1. This Agreement
2. Documents incorporated by reference to the Agreement, including Exhibit A
3. The Charter, as approved by the Board
4. The bylaws and articles of incorporation of the nonprofit public benefit corporation operating as the Charter School

For Charter School:

For the Board:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_



## **EXHIBIT A**

### **INSURANCE COVERAGE AND POLICIES**

Charter School, at its sole cost and throughout the charter term, shall procure and maintain each insurance listed below in effect. All required insurance, and if self-insurance will be provided, must contain coverage that complies, at a minimum, with the following requirements:

1. Property Insurance for replacement value, if offered by the insurance carrier, including coverage for all assets listed in Charter School's property inventory and consumables. If full replacement value coverage is unavailable, Charter School shall procure property insurance in amounts as close to replacement value as possible and sufficient to protect the school's interests.
2. General Commercial Liability with at least \$2,000,000 per occurrence and \$5,000,000 in total general liability insurance, providing coverage for negligence, errors and omissions/educators legal liability, Fire Legal Liability, of Charter School, its governing board, officers, agents, employees, and/or students. The deductible per occurrence for said insurance shall not exceed \$20,000 for any and all losses resulting from negligence, errors and omissions of Charter School, its governing board, officers, agents, employees, and/or students.
3. Workers' Compensation insurance in accordance with the California Labor Code, adequate to protect Charter School from claims under Workers' Compensation Acts, which may arise from Charter School's operation, with statutory limits. The Workers' Compensation Insurance coverage must also include Employers Liability coverage with limits of \$1,000,000/\$1,000,000/\$1,000,000.
4. Commercial Auto Liability, including Owned, Leased, Hired, and Non-owned, coverage with limits of \$1,000,000 Combined Single Limit per Occurrence if Charter School does not operate a student bus service. If Charter School provides student bus services, the required coverage limit is \$5,000,000 Combined Single Limit per Occurrence.
5. Crime Insurance or Fidelity Bond coverage to cover all Charter School employees who handle, process, or otherwise have responsibility for Charter School's funds, supplies, equipment or other assets. Minimum amount of coverage shall be \$1,000,000 per occurrence, with no self-insured retention.
6. Professional Educators Errors and Omissions liability coverage with minimum limits of \$3,000,000 per occurrence and \$3,000,000 general aggregate.
7. Sexual Molestation and Abuse coverage with minimum limits of \$3,000,000 per occurrence. Coverage may be held as a separate policy or included by endorsement in the Commercial General Liability or the Errors and Omissions Policy.
8. Employment Practices Legal Liability coverage with limits of \$3,000,000 per occurrence and \$3,000,000 general aggregate.
9. Excess/umbrella insurance with limits of not less than \$10,000,000 is required of all high schools and any other school that participates in competitive interscholastic or intramural sports programs.

**RESOLUTION AND WRITTEN FINDINGS OF THE  
ORANGE COUNTY BOARD OF EDUCATION TO APPROVE WITH  
CONDITIONS THE PETITION FOR A COUNTYWIDE CHARTER SCHOOL  
FOR MAGNOLIA SCIENCE ACADEMY ORANGE COUNTY**

**WHEREAS**, the Legislature has enacted the Charter Schools Act of 1992, Education Code section 47600 et seq.;

**WHEREAS**, Education Code section 47605.6 states that a county board of education may approve a countywide charter only if it finds, in addition to the other requirements of this section, that the educational services to be provided by the charter school will offer services to a pupil population that will benefit from those services and that cannot be served as well by a charter school that operates in only one school district in the county;

**WHEREAS**, Education Code section 47605.6 states that the county board of education may impose any additional requirements beyond those required by Education Code section 47605.6 that it considers necessary for the sound operation of a countywide charter school.

**WHEREAS**, Education Code section 47605.6 states that the county board of education may grant a charter for the operation of a charter school under this part only if it is satisfied that granting the charter is consistent with sound educational practice and that the charter school has reasonable justification for why it could not be established by petition to a school district pursuant to Education Code section 47605;

**WHEREAS**, Education Code section 47605.6(b) states that, after receiving a petition, the County Board must hold a public hearing within 60 days to consider the petition, and is required to take action to either grant or deny the charter within ninety (90) days of receipt of the petition, unless this date is extended by up to an additional 30 days by agreement;

**WHEREAS**, the county board of education 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 stating the reasons for the denial of the charter petition;

**WHEREAS**, on January 31, 2024, the Orange County Board of Education (“Board”) received a petition from Magnolia Educational & Research Foundation, doing business as Magnolia Public Schools., a California nonprofit public benefit corporation, for the operation of Magnolia Science Academy Orange County (“Petition”);

**WHEREAS**, on March 6, 2024, the Board held a public hearing on the Petition and received public comment thereon;

**WHEREAS**, on April 16, 2024, the Board published a Staff Report, with recommended findings, prepared by staff members of the Orange County Department of Education (“OCDE”);

**WHEREAS**, on May 1, 2024, the Board at its regular meeting held a public hearing, at which the Petitioners had equivalent time and procedures to present evidence and testimony to respond to the staff recommendations and findings, to grant or deny the petition;

**NOW, THEREFORE, BE IT RESOLVED** that the Board reviewed and considered the Petition and related information received with respect to the Petition, including information presented at the public hearings and in the Staff Report in accordance with Education Code sections 47605.6;

**BE IT FURTHER RESOLVED** that the Board finds that the educational services to be provided by Magnolia Science Academy Orange County will offer services to a pupil population that will benefit from those services and cannot be served as well by the charter school that operates in only one school district in the county;

**BE IT FURTHER RESOLVED** that the Board adopts the summary of findings set forth in the Staff Report published on April 16, 2024, which is attached hereto and integrated herein by this reference;

**BE IT FURTHER RESOLVED** that the Board approves with conditions, the Petition for a countywide charter school submitted by Magnolia Educational & Research Foundation, doing business as Magnolia Public Schools, a California nonprofit public benefit corporation, for the operation of Magnolia Science Academy Orange County for an initial charter term from July 1, 2024 through June 30, 2029;

**BE IT FURTHER RESOLVED** that the approval of the Petition is subject to conditions that address the findings as specified by the Board at the May 1, 2024 board meeting. To

satisfy the conditions, Petitioner and Board must fully execute an Agreement that addresses all of the findings, as well as the operational relationship between the School, the Board, and OCDE no later than the Board’s regularly scheduled meeting in August 2024. Should the Petitioner and Board fail to reach agreement by the regularly scheduled meeting in August 2024, the Board reserves the right to take further action, including but not limited to revoking its approval of the charter. The terms of this Resolution are severable.

STATE OF CALIFORNIA )  
COUNTY OF ORANGE )  
\_\_\_\_\_ )

I, Mari Barke, Clerk of the Orange County Board of Education, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the Orange County Board of Education at a regular meeting thereof held on the 1st day of May 2024, and that it was so adopted by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

BY:

\_\_\_\_\_  
Clerk of the Orange County Board of Education

Resolution # \_\_\_\_\_

**RESOLUTION AND WRITTEN FINDINGS  
OF THE ORANGE COUNTY BOARD OF EDUCATION  
TO DENY THE PETITION FOR A COUNTYWIDE CHARTER SCHOOL  
FOR MAGNOLIA SCIENCE ACADEMY ORANGE COUNTY**

**WHEREAS**, the Legislature has enacted the Charter Schools Act of 1992, Education Code section 47600 et seq.;

**WHEREAS**, Education Code section 47605.6 states that a county board of education may approve a countywide charter only if it finds, in addition to the other requirements of this section, that the educational services to be provided by the charter school will offer services to a pupil population that will benefit from those services and that cannot be served as well by a charter school that operates in only one school district in the county;

**WHEREAS**, Education Code section 47605.6 states that the county board of education may impose any additional requirements beyond those required by Education Code section 47605.6 that it considers necessary for the sound operation of a countywide charter school.

**WHEREAS**, Education Code section 47605.6 states that the county board of education may grant a charter for the operation of a charter school under this part only if it is satisfied that granting the charter is consistent with sound educational practice and that the charter school has reasonable justification for why it could not be established by petition to a school district pursuant to Education Code section 47605;

**WHEREAS**, Education Code section 47605.6(b) states that, after receiving a petition, the County Board must hold a public hearing within 60 days to consider the petition, and is required to take action to either grant or deny the charter within ninety (90) days of receipt of the petition, unless this date is extended by up to an additional 30 days by agreement;

**WHEREAS**, the county board of education 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 stating the reasons for the denial of the charter petition;

**WHEREAS**, on January 31, 2024, the Orange County Board of Education (“Board”) received a petition from Magnolia Educational & Research Foundation, doing business as Magnolia Public Schools., a California nonprofit public benefit corporation, for the operation of Magnolia Science Academy Orange County (“Petition”);

**WHEREAS**, on March 6, 2024, the Board held a public hearing on the Petition and received public comment thereon;

**WHEREAS**, on April 16, 2024, the Board published a Staff Report, with recommended findings, prepared by staff members of the Orange County Department of Education (“OCDE”);

**WHEREAS**, on May 1, 2024, the Board at its regular meeting held a public hearing, at which the Petitioners had equivalent time and procedures to present evidence and testimony to respond to the staff recommendations and findings, to grant or deny the petition;

**NOW, THEREFORE, BE IT RESOLVED** that the Board reviewed and considered the Petition and related information received with respect to the Petition, including information presented at the public hearings and in the Staff Report in accordance with Education Code section 47605.6;

**BE IT FURTHER RESOLVED** that the Board denies the Petition for the establishment of a charter school based on the following findings that the Board has determined justify the denial of the Petition under Education Code section 47605.6(a)(1) and/or (b)(1)-(b)(7):

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**BE IT FURTHER RESOLVED** that the Board denies the Petition based on the findings herein adopted. The terms of this Resolution are severable. Should it be determined that one or more of the findings are invalid, the remaining findings and the Board action shall remain in full force and effect. Each finding is, in and of itself, a sufficient basis for the denial.

STATE OF CALIFORNIA )  
COUNTY OF ORANGE )  
\_\_\_\_\_ )

I, Mari Barke, Clerk of the Orange County Board of Education, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the Orange County Board of Education at a regular meeting thereof held on the 1<sup>st</sup> day of May 2024, and that it was so adopted by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

BY:

\_\_\_\_\_  
Clerk of the Orange County Board of Education

Resolution # \_\_\_\_\_

*RA*

ORANGE COUNTY BOARD OF EDUCATION

BOARD AGENDA ITEM

DATE: May 1, 2024

TO: Renee Hendrick, Deputy Superintendent

FROM: Lisa Sparks, Ph.D., Board Vice President

SUBJECT: Board Vice President Travel for Lobbying

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RECOMMENDATION:

Approval of Board Vice President Sparks travel to Washington DC for lobbying, scheduled for May 5 – May 9, 2024. The estimated cost of airfare, taxi, shuttle, mileage, lodging and meals is \$3,200.



*RJA*

ORANGE COUNTY BOARD OF EDUCATION  
BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent  
FROM: Ken L. Williams, D.O., Trustee Area 3  
Jorge Valdes, Esq., Trustee Area 1  
SUBJECT: Resolution regarding the Establishment of a Charter School Special Fund

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RECOMMENDATION:

Board action on a resolution regarding the Establishment of a Charter School Special Fund.

**RESOLUTION OF THE BOARD OF EDUCATION  
ORANGE COUNTY, CALIFORNIA**



***Establishment of a Charter School Special Bridge Loan  
May 1, 2024***

WHEREAS, California Education Code § 1040(a), establishes that county boards of education shall (a) *Adopt rules and regulations not inconsistent with the laws of this state, for their own government; and*

WHEREAS, California Education Code § 1040 (c-d), establishes that county boards of education shall (c) *Approve the annual budget of the county superintendent of schools; and* (d) *Approve the annual county school service fund budget of the county superintendent of schools before its submission to the Superintendent of Public Instruction; and*

*WHEREAS*, California Education Code § 1042 (a) allows county boards of education to *adopt rules and regulations governing the administration of the office of the county superintendent of schools; and*

WHEREAS, on May 6, 1996, the Orange County Board of Education passed Resolution #17-96 apportioning \$3,000,000 to the Laguna Beach School District. Resolution #17-96, passed by a 5-0 vote, provided in relevant part:

“NOW, THEREFORE BE IT RESOLVED, The Orange County Department of Education Board of Education grant a temporary apportionment from the County School Service Fund, pursuant to Education Code Section 42662, in the amount of \$3,000,000, to be repaid during the 1996-1997 fiscal year.” (See Exhibit 1 Resolution #17-96, dated May 6, 1996).

Whereas, California Education Code §42662 states, “ The county superintendent of schools, with the approval of the county board of education, may make an apportionment to a school district or charter school from the county school service fund conditional upon the repayment to the fund during the next succeeding fiscal year of the amount apportioned to the school district or charter school and, during the next succeeding fiscal year, shall transfer the amount of the apportionment from the general fund of the school district or charter school to the county school service fund.”

*WHEREAS*, on October 4, 2023, at its regular board meeting, the Orange County Board of Education (“Board”) unanimously passed, Resolution Establishing *Fair and Equitable Facilities for All-Public School Students*, and committed that all public schools and public school students have access to quality school facilities and resources for all ACCESS and charter school programs; and

Whereas, on October 4, 2023 , the Board committed to the following action, including but not limited:

- Allocate resources to support the development of facilities that will provide increased options for ACCESS and charter school programs.
- Create legal mechanisms and agreement to reduce barriers to the acquisition, lease, and use of facilities for charter schools within Orange County.
- *Establish a Board committee to support the above referenced workgroup.*

*WHEREAS*, on November 1, 2023, at its regular board meeting, the Board established a Public Charter School Facilities subcommittee to address concerns and recommend for board adoption policies about charter school facilities, and Trustees Williams and Valdes, were approved by the Board to be the subcommittee members; and

*WHEREAS*, the Board acknowledges and anticipates that in light of the anticipated multi-billion-dollar budget shortfall that public schools, including charter schools, may require extraordinary and exigent funding to establish and meet financial obligations and state mandates.

*WHEREAS*, existing California Education Code § 41365 creates a funding source for charter schools. California Education Code §41365 (a) references the Charter School Revolving Loan Fund created in the State Treasury. §41365 (c) provides in relevant part, “Loans may be made from moneys in the Charter School Revolving Loan Fund to a chartering authority for charter schools that are not the conversion of an existing school, or directly to a charter school that qualifies to receive funding... The loan to a chartering authority for a charter school, or to a charter school, pursuant to this subdivision shall not exceed two hundred and fifty thousand dollars (\$250,000) over the lifetime of the charter school.”

*WHEREAS*, the California Education Code § 47614.5<sup>1</sup> establishes within the California School Finance Authority (under Senate Bill 740 Program) a Charter School Facility Grant Program (CSFGP)<sup>2</sup> for facilities rent and lease costs for pupils in charter schools; and

*WHEREAS*, the California State Treasurer’s office has in place a Charter School Revolving Loan Fund Program (“CSRLF”)<sup>3</sup> designed to provide low-interest loans of up to \$250,000 to new charter schools; and

*Therefore*, by this Resolution the Board recommends the establishment of the following:

1. To further the objectives of California law and previous Board actions and resolutions, to the extent legally permissible, establish a *Charter School Special Bridge Loan*, for Board approved charter schools, to provide special bridge funding and financially to assist the Board approved charter schools in the event exigent, urgent, and/or emergencies circumstances occur.
2. The Orange County Superintendent of Schools/Department of Education (“OCDE”) shall create a separate object code entitled *Charter School Special Fund*. The fund balance shall be discussed by the Board during the Budget Adoption process.
3. By this resolution, as set forth in law and policy, the amount of \$250,000 to establish an object code and/or Budget line item in the OCDE budget for such fund.
4. Create technical loan documents to implement the elements of said special bridge funding for the *Charter School Special Bridge Loan* based upon lending guidelines and principles of the CSRLF and CSFGP. The final guidelines and principles will be later approved by Board by January, 2025. The elements required for a charter school’s eligibility for the bridge loans may include but are not limited to existing CSFGP<sup>4</sup> guidelines.

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<sup>1</sup><https://law.justia.com/codes/california/2022/code-edc/title-2/division-4/part-26-8/chapter-3/section-47614-5/>

<sup>2</sup> <https://www.treasurer.ca.gov/csfa/csfgp/index.asp>

<sup>3</sup><https://www.treasurer.ca.gov/csfa/csrlf/index.asp>

<sup>4</sup> <https://www.treasurer.ca.gov/csfa/csfgp/Current-Regulations.pdf>

## TEXT OF REGULATIONS

### CALIFORNIA CODE OF REGULATIONS Title 4, Division 15, Article 1.5 Charter School Facility Grant Program

#### § 10170.1. Purpose.

This Article implements the California School Finance Authority's administration of the Charter School Facility Grant Program (Education Code section 47614.5) which provides financial assistance for charter school facilities.

Note: Authority cited: Section 47614.5, Education Code.  
Reference: Section 47614.5, Education Code.

#### § 10170.2. Definitions.

For the purposes of this article, the following words and phrases shall have the meaning as described below:

- (a) "Applicant" shall mean the Charter School, educational management organization, or charter management organization applying on behalf of a Charter School for a grant under this article.
- (b) "Application" shall mean a completed Charter School Facility Grant Program Online Application (CSFA Form 740-01; revised July 2018), incorporated herein by reference, as developed by the Authority, and described in Section 10170.6.
- (c) "Authority" shall mean the California School Finance Authority.
- (d) "Average Daily Attendance" (ADA) shall mean the unit of attendance, as reported by the Department for the second period of the school year.
- (e) "Average Daily Attendance Cap" (ADA Cap) shall mean for the 2017-18 Fiscal Year, an amount equal to one thousand one hundred seventeen dollars (\$1,117) per unit of ADA. Commencing with the 2018-19 Fiscal Year and moving forward, the amount of funding provided per unit of ADA in the preceding Fiscal Year, as adjusted by the Cost Of Living Adjustment Index or the amount specified in the current Budget Act.
- (f) "Chartering Authority" shall mean the school district, county board of education, or State Board of Education that granted a Charter School's petition to become a Charter School pursuant to Education Code Section 47605.
- (g) "Charter School" shall mean a school established and operating pursuant to the Charter Schools Act of 1992 (Education Code Section 47600, et seq.). Except where the defined term First Year Charter School is specifically used, Charter School shall also be meant to include schools that otherwise meet the definition of First Year Charter School.
- (h) "Cost Of Living Adjustment Index" (COLA Index) shall mean a percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior Fiscal Year. This percentage change shall be determined using the latest data available as of May 10 of the preceding Fiscal Year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding Fiscal Year, using the latest data available as of May 10 of the preceding Fiscal Year, as reported by the Department of Finance.



- (i) "Department" shall mean the California Department of Education.
- (j) "Estimated Annual Entitlement" shall mean the estimated grant amount to which a Charter School is entitled as calculated pursuant to Section 10170.7 prior to the first apportionment.
- (k) "Facility Invoice Expenditure Report" shall mean the annual Charter School Facility Grant Program Facility Invoice Expenditure Report (CSFA Form 740-02; revised October 2017) herein incorporated by reference.
- (l) "Fair Market Rent" shall mean the amount of money a property would rent or lease for if it was available at the time the appraisal was conducted.
- (m) "Final Fiscal Year Entitlement" shall mean the final calculated grant amount to which a Grantee is entitled based on the calculation prescribed in Section 10170.8.
- (n) "First Year Charter School" shall mean a school that anticipates beginning operations as a Charter School in the Fiscal Year for which it submits an Application and was not open the previous school year.
- (o) "Fiscal Year" shall mean the school year for which an Application for grant funds is submitted.
- (p) "Free or Reduced-Price Meal Eligibility" or "FRPM Eligibility" shall mean the percentage of enrolled students in grades Kindergarten through 12th grade or students ages 5 through 17, whichever is greater, eligible for free or reduced-price meals, as reported by the Department and certified through the annual Fall 1 data submission to the California Longitudinal Pupil Achievement Data System (CALPADS).
- (q) "Good Standing" shall mean the Applicant satisfies all three of the following conditions: 1) compliance with the terms of its Charter Agreement, 2) no pending or outstanding Notices of Violation described in Education Code Section 47607(g), and 3) no pending or outstanding Notices of Intent to Revoke described in Education Code Section 47607(h). The Authority will rely on information prepared by the Chartering Authority and the submission of a Good Standing Confirmation Form (GSCF) (CSFA Form 1119), incorporated herein by reference.
- (r) "Grantee" shall mean a Charter School determined by the Authority to be eligible for a grant.
- (s) "Independent Appraisal" shall mean a value assessment of rent and lease costs for a Charter School facility completed and signed by a Certified Real Estate Appraiser or Certified General Appraiser licensed by the California Department of Real Estate Appraisers who confirms that the appraisal is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).
- (t) "New Facility Agreement" shall mean either 1) a rental or lease agreement for a facility not previously occupied by the Charter School; 2) a rental or lease agreement that includes additional square footage not included in the previous year's agreement; or 3) a new agreement for existing facilities or square footage when the existing lease is up for renewal or expires. Options to renew contained in existing rent or lease agreements on file with the Authority executed by the Charter School and the lessor will not be considered a New Facility Agreement.
- (u) "Prior Year" shall mean the school year prior to the school year for which an Application is submitted.

Note: Authority cited: Section 47614.5, Education Code. Reference: Sections 47614.5, 47600 et seq. and 47605, Education Code.

### **§ 10170.3. Eligible Applicant.**

Any Applicant shall be eligible to apply for a grant if all of the following conditions are met:

- (a) The Application is submitted by or on behalf of a Charter School.
- (b) An approved charter has been awarded, is in place, and is current at the time of Application.
- (c) In the case of a First Year Charter School, a charter petition has been submitted for approval to the Chartering Authority and evidence, such as a copy of the charter petition, is submitted that the school anticipates beginning operations in the Fiscal Year for which an Application is submitted.
- (d) The Charter School meets one of the following criteria:
  - (1) Fifty-five percent (55%) or more of the student enrollment at the Charter School site is eligible for prior year FRPM; or
  - (2) The Charter School site for which grant funds are requested is physically located in the attendance area of a public elementary school in which fifty-five percent (55%) or more of the pupil enrollment is eligible for prior year FRPM and the school site gives a preference in admissions to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area where the Charter School site is located, as determined by the local school district.
  - (3) First Year Charter Schools not operational in the prior year shall be eligible in the current year if the school meets the FRPM Eligibility requirements based on current year data.
  - (4) In all subsequent funding rounds, all schools shall adhere to Application dates outlined in Section 10170.5.
- (e) The Charter School, educational management organization, or charter management organization is not in default with the requirement of all programs administered by the Authority.
- (f) The Applicant is in Good Standing, as described in Section 10170.2(q), during the Fiscal Year. An Applicant found not to be in Good Standing, as determined by their Chartering Authority, shall be ineligible for grant funds. An Applicant may cure ineligibility for grant funds by meeting one of the following criteria:
  - (1) The Applicant receives confirmation of Good Standing within the Fiscal Year.
  - (2) An Applicant found not to be in Good Standing solely due to the Applicant failing to meet the requirements of Education Code Section 47607(f)(3) must provide evidence demonstrating fiscal solvency to the satisfaction of the Authority. Such evidence may include the Applicant's organizational budgets and audited financials.
- (g) The Charter School shall not operate as, or be operated by, a for-profit corporation, a for-profit educational management organization, or a for-profit charter organization.

Note: Authority cited: Section 47614.5, Education Code. Reference: Section 47614.5, Education Code.

#### **§ 10170.4. Eligible Costs.**

- (a) Grant funds may be applied toward a Charter School's facilities costs for all of the following:
- (1) Costs associated with facility rents or leases as evidenced by an executed rental or lease agreement and beginning with the 2017-18 funding round, shall be subject to one of the following conditions:
    - (A) Reimbursable facility rent or lease costs do not exceed prior year's reimbursable costs on file with the Authority, subject to an adjustment of the annual COLA Index (COLA Cap); or
    - (B) The rent or lease costs of New Facility Agreements are at or below Fair Market Rent based on an Independent Appraisal as described in Section 10170.6(d) and paid for by the Applicant.
      - (i) If the Independent Appraisal finds the rent and lease costs above the Fair Market Rent, the costs will be based on Fair Market Rent as determined by the Independent Appraisal.
  - (2) If funds remain, costs associated with the facility but not limited to, remodeling buildings, deferred maintenance, initially installing or extending service systems and other built-in equipment, improving sites, and common area maintenance charges that are based on the Charter School's usage of the facility and are limited to maintaining and repairing the facility and its common areas will be evaluated for an award.
  - (3) Costs described in subdivisions (a)(1) and (a)(2) and associated with portions of school district or county office of education facilities that are not existing school district or county office of education facilities and are not reasonably equivalent facilities received from the Charter Authority.
  - (4) Costs associated with a ground lease as evidenced by an executed rental or lease agreement where there is no existing district facility on the ground being leased.
- (b) Grant funds may not be apportioned for any of the following:
- (1) Units of ADA generated through nonclassroom-based instruction as defined in Education Code Section 47612.5;
  - (2) Facility rent and lease costs associated with a Charter School's occupancy of existing district or county office of education facilities;
  - (3) Facility rent and lease costs associated with a Charter School's occupancy of reasonably equivalent facilities received from its Chartering Authority pursuant to Education Code Section 47614;
  - (4) Costs incurred to meet a Charter School's local match obligation for Charter School facilities that receives funds pursuant to the Charter School Facilities Program;
  - (5) Costs incurred for instructional or administrative costs including, but not limited to, salaries and benefits paid to teachers, instructional aides, the educational management organization or charter management organization responsible for managing the Charter School, or the Chartering Authority and existing district personnel;
  - (6) Lease costs assessed to the Charter School based on grant funds awarded to the school by the Authority during the same funding round;
  - (7) Facility rent and lease costs associated with a facility previously purchased and paid in full by the Charter School with State Charter School Facilities Incentive Grants Program funds unless those costs are associated with capital improvements;

- (8) Facility rent and lease costs associated with lease-to-purchase agreements where the rent and lease costs lower the final purchase price;
  - (9) Facility rent and lease costs associated with a facility that is inaccessible to the Applicant. The Authority reserves the right to request evidence such as a Certificate of Occupancy or letter from the lessor that establishes the date the Applicant began to occupy the leased site; or
  - (10) Costs incurred during any period the Applicant is found not to be in Good Standing.
- (c) Grant funds must be expended and liquidated within the guidelines of this article and the Charter School Facility Grant Program.
  - (d) No grant, whether for costs described in subdivision (a)(1), (a)(2), (a)(3), (a)(4), or a combination of, shall exceed the ADA Cap as defined in Section 10170.2(e) or 75% of the annual facility rent and lease costs for the Fiscal Year for which the Application is submitted, whichever is less.
  - (e) Where an Application is for multiple school sites, each site's eligibility and costs will be evaluated separately. The ADA applied to the determination of the grant, as described in subdivision (d), shall only be based on the eligible site(s).
    - (1) Where the Charter School's students migrate between eligible and ineligible school sites, the ADA applied shall be based upon the square footage ratio of eligible facilities to all facilities.
    - (2) Where the Charter School's students do not migrate between eligible and ineligible school sites, the ADA applied shall be based upon the school's self-certification of the ADA for the facility the students are assigned to.

Note: Authority cited: Section 47614.5, Education Code. Reference: Sections 47612.5 and 47614.5, Education Code.

**§ 10170.5. Application Submission.**

- (a) Application for grant funds shall be made on an online form (CSFA Form 740-01) prescribed by the Authority, and will be available as described below. The Authority will accept Applications during the Application periods described. Applications may not be submitted by email or facsimile.
  - (1) The Initial Application period for each grant year shall be made available by the Authority in the month of April. Application deadlines shall be 5:00 p.m. on the date five weeks from the date the Application is made available by the Authority. The Authority shall make Application materials available on the Authority's website and notify the public of the Application release date.
  - (2) The Second Application period for each grant year shall be made available by the Authority on September 10 of each Fiscal Year. The Application deadline shall be 5:00 p.m. on October 15 of each Fiscal Year. The Authority shall make Application materials available on the Authority's website and notify the public of the Application release date. Under the following circumstances, an Application may be submitted during the Second Application Period:
    - (A) A Charter School relocates from a facility that was ineligible for a grant award to a facility that is eligible, and the Application includes a description of the change in facility circumstances; or
    - (B) A First Year Charter School.



- (3) Late Applications and late Facility Invoice Expenditure Reports are ineligible for Program funds and are not eligible for the appeal process described in Section 10170.10.
- (b) The Authority's review and evaluation of an Application for purposes of calculating the Estimated Annual Entitlement shall be based on the information contained in and submitted with the Application, and supporting information obtained directly from other state and local agencies.
- (c) Organizations operating more than one Charter School, as identified by separate County District School (CDS) codes, must submit a separate Application for each Charter School with a separate CDS code for which a grant award is sought. Organizations operating more than one facility location under the same CDS code must combine all facilities operating under that CDS code in one Application.

Note: Authority cited: Section 47614.5, Education Code. Reference: Section 47614.5, Education Code.

#### **§ 10170.6. Content of Application.**

Completed Applications and all attachments shall be submitted to the Authority via the online Application form (CSFA Form 740-01) and shall include all of the following items.

- (a) Application. The Application shall include identifying information, a completed Legal Status Questionnaire, and signed certification that the data and information reported is true and correct and the charter will continue to comply with state and federal laws.
- (b) Copy of current charter agreement and verification of Authorizing Board adoption and expiration date.
- (c) Copy of the rent or lease agreement contract, or other documentation, verifying the Charter School's facilities rent or lease costs for the Fiscal Year for which a grant award is requested, and evidence that the rent or lease term matches or exceeds the anticipated grant term. If the Charter School does not have an executed rent or lease agreement for the Fiscal Year, the Applicant shall produce an executed lease or rental agreement for the Prior Year or other documentation sufficient to show the Charter School's actual facilities rent or lease costs for the Prior Year. If the Charter School does not have a rental or lease agreement for the Fiscal Year or Prior Year, the Applicant shall provide such other evidence to the satisfaction of the Authority, such as a pending lease agreement, that establishes the Applicant's best estimate of such costs for the Fiscal Year.
- (d) After the Authority has confirmed the Applicant's eligibility and determined one or more of the Applicant's facilities is a New Facility Agreement, the Authority will use an Independent Appraisal, completed within the last three Fiscal Years, that was previously filed with the Authority during a prior Application round. Otherwise, the Authority will request an Independent Appraisal completed within the Fiscal Year. The Appraisal shall be consistent with the USPAP, and at a minimum contain the following items:
- (1) Use a Certified Real Estate Appraiser or Certified General Appraiser licensed by the California Department of Real Estate Appraisers;
  - (2) The Appraiser shall not be a Related Party as defined in Section 10170.14(a)(3);
  - (3) "Client" shall be the Charter School;
  - (4) "Intended User" shall be the California School Finance Authority for Charter School Facility Grant Program eligibility;
  - (5) Provide a Fair Market Rent Analysis including an explanation that supports the conclusions reached; and
  - (6) Signed Certification consistent with language found in USPAP.

- (e) An Applicant requesting reimbursement for Charter School costs associated with remodeling buildings, deferred maintenance, initially installing or extending service systems and other built-in equipment, improving sites and common area maintenance charges shall submit no later than July 15 following the applicable Fiscal Year all of the following:
  - (1) A description of the work for which the reimbursement is requested, including how it meets one of the categories of eligible work;
  - (2) A Facility Invoice Expenditure Report, as provided by the Authority, detailing the costs to be reimbursed; and
  - (3) Applicable contracts for work to be performed to the extent they exist at the time of the Application.
- (f) An Applicant applying for or on behalf of a First Year Charter School shall submit an Application and the supporting documentation listed in subdivisions (f)(1)-(3), as they are made available. Grant funds will not be disbursed until items (1), (2) and (3) have been received by the Authority.
  - (1) An approved charter agreement evidencing the First Year Charter School's intention of operating a Charter School during the Fiscal Year for which grant funds are requested. If an approved charter agreement is not available, the Applicant shall submit the charter petition and Application and additional documentation demonstrating its intent to receive charter approval to operate a Charter School during the Fiscal Year for which grant funds are requested;
  - (2) An executed rental or lease agreement for the Fiscal Year for which grant funds are requested. If an executed rent or lease agreement is not available at the time of Application, the Applicant shall submit an estimate of rent or lease costs for the Fiscal Year; and
  - (3) A Charter School 20 Day Attendance Report shall be submitted within 20 days of initial California Department of Education Application submission date.
- (g) The Authority shall be entitled to the return of all grant funds from an Applicant if it is determined that the Applicant failed to provide complete and accurate information, or provided misleading information, that resulted in the disbursement of grant funds for which an Applicant is not eligible.
- (h) All requested documentation required to complete the Applicant's eligibility review or award calculation shall be due to the Authority within 60 calendar days of notification. Failure to submit this documentation by the stated deadline will result in Program ineligibility or ineligibility of applicable facility costs described in Section 10170.4(a)(1)-(4).
- (i) The Authority will request completion of the GSCF directly from the Chartering Authority. This form shall be completed and returned only if the Chartering Authority is aware of any outstanding compliance or revocation issues; otherwise, no action is necessary. An Applicant may appeal any response by the Chartering Authority's staff directly to the Chartering Authority's governing board.
  - (1) Requests for completion of the GSCF will be sent out to the Chartering Authority upon receipt of each Application.
  - (2) The Authority reserves the right to request completion of an additional GSCF at any time during the Fiscal Year.

Note: Authority cited: Section 47614.5, Education Code. Reference: Section 47614.5, Education Code.

**§ 10170.7. Estimated Annual Entitlement Calculation.**

- (a) Authority staff will make an initial determination regarding each Charter School's eligibility pursuant to Section 10170.3.
- (b) For each eligible Charter School, the Authority will determine the Estimated Annual Entitlement, pursuant to Section 10170.4(d).
- (c) The Estimated Annual Entitlement Calculation shall not include reimbursement of invoices as defined by Section 10170.4(a)(2).
- (d) If an Applicant is unable to provide an executed rental or lease agreement for the Charter School for either the Fiscal Year or for the Prior Year, the Authority may base the Estimated Annual Entitlement on information provided by the Applicant that constitutes an estimate of the Charter School's expected facilities rent or lease costs for the Fiscal Year.
- (e) For Charter Schools that submit an Application pursuant to Section 10170.5(a)(2), or Charter Schools that do not have Prior Year enrollment data, the Authority will make the Estimated Annual Entitlement calculation within 30 days of receipt of a complete Application and enrollment data from the Department.
- (f) For Charter Schools that do not have Prior Year enrollment data, the Authority shall base the units of ADA on 90% of the school's enrollment as reported in the Charter School 20 Day Attendance Report pursuant to Section 10170.6(f)(3).

Note: Authority cited: Section 47614.5, Education Code.  
Reference: Section 47614.5, Education Code.

**§ 10170.8. Final Fiscal Year Entitlement Calculation.**

- (a) By the second apportionment as described in Section 10170.9, Grantees shall provide final and actual rent or lease costs for the Fiscal Year.
- (b) The Authority shall obtain from the Department final average daily attendance figures and FRPM Eligibility for each Grantee.
- (c) Pursuant to Section 10170.9(d), the Authority shall consider invoices for additional facility costs as submitted pursuant to Section 10170.6(e). Reimbursement for additional eligible costs submitted by invoice shall be limited to the criteria set forth in Section 10170.4(a)(2).
- (d) Based on the information provided pursuant to subdivisions (a)-(c), the Authority shall verify program eligibility and calculate each Grantee's Final Fiscal Year Entitlement, pursuant to Section 10170.4(d).

Note: Authority cited: Section 47614.5, Education Code. Reference: Section 47614.5, Education Code.

**§ 10170.9. Apportionment of Grant Funds.**

- (a) The first apportionment of 50% of the Estimated Annual Entitlement shall be disbursed to each Grantee by October 31 of the Fiscal Year for which the grant is requested, or 30 days after enactment of the annual Budget Act, whichever is later.
- (b) For a Grantee that submitted an Application pursuant to Section 10170.5(a)(2), the first apportionment of 50% of the Estimated Annual Entitlement shall be made within 30 days after the Authority determines eligibility and the Estimated Annual Entitlement.
- (c) No later than March 1 of each Fiscal Year, the Authority shall provide to each Grantee a second disbursement of 75% of the Estimated Annual Entitlement less the initial

disbursement and less any adjustments due to receipt of the executed rental or lease agreement for the designated Fiscal Year.

- (d) No later than 30 days after the end of each Fiscal Year or 30 days after receiving the data and documentation needed to compute the Charter School's total annual entitlement, whichever is later, the Authority shall provide to each Grantee a third disbursement of 100% of the Final Fiscal Year Entitlement less the first two disbursements and adjusted for any changes to the FRPM Eligibility data, ADA, and executed rental or leases agreements for the designated Fiscal Year. If reimbursement of invoices considered eligible pursuant to Section 10170.4(a)(2) is requested and Program funds remain, these costs will be incorporated into this final disbursement.
- (e) If there are insufficient funds to cover all eligible costs, the following conditions shall be in effect:
  - (1) Facility rent and lease costs as described in Section 10170.4(a)(1), (a)(3), and (a)(4) shall be awarded first. If funds remain, the Authority shall determine the pro rata share for each Grantee's invoice costs as described in Section 10170.4(a)(2) by calculating the percentage of the remaining funds available as compared to the funds needed to award all Grantees' eligible invoice costs. This percentage shall be applied to the Grantee's eligible invoice costs, as described in subsection (A) below.
    - (A) Eligible invoice costs = If  $75\% \text{ of } (\text{invoice costs} + \text{lease costs}) > \text{ADA Cap}$ , then  $\text{ADA Cap} - (75\% \times \text{lease costs})$ , otherwise invoice costs.
  - (2) If insufficient funds remain available from the Fiscal Year's appropriation to reimburse Grantee's facility rent and lease costs, the award shall be based solely on rent and lease costs as described in Section 10170.4(a)(1), (a)(3) and (a)(4). The Authority shall determine the pro rata share to which each Grantee is entitled by calculating the percentage of the Fiscal Year's appropriation as compared to the funds needed to fully award all Grantees' rent and lease costs. This percentage shall be applied to the Grantee's annual award and shall serve as the Grantee's pro rata share.
  - (3) The Authority shall disburse funds in three apportionments pursuant to subsections (b)-(e).
    - (A) The first apportionment shall be 50% of the pro rata share of the Estimated Annual Entitlement as determined by calculating the percentage of the Fiscal Year's appropriation as compared to the funds needed to fully award all Grantee's Maximum ADA Cap.
    - (B) The second apportionment shall be 25% of the pro rata share of the Estimated Annual Entitlement as determined by calculating the percentage of the Fiscal Year's appropriation as compared to the funds needed to fully award all Grantee's Maximum ADA Cap.
    - (C) The third apportionment shall be the pro rata share of the Grantee's remaining balance of the Final Fiscal Year Entitlement.
  - (4) Until the current year FRPM data is made available, Charter Schools with no Prior Year enrollment data shall have their FRPM based solely on the Charter School sites' Period 1 FRPM submission to the Department.
  - (5) During the Final Fiscal Year Entitlement Calculation, each eligible Applicant shall receive a Notice of Eligible Facility Costs (CSFA Form 740-03; revised October 2017), incorporated herein by reference. This notice shall serve as the Section 10170.10 Notification of Grantee and upon receipt, the Applicant shall have 30 days to review and execute the notice.

- (6) The Applicant shall have the opportunity to appeal the Notice of Eligible Facility Costs and the Appeal Process under Section 10170.10 (b)-(g) shall be implemented.
- (7) The Authority shall not disburse the third apportionment under subsection (e) until each eligible Applicant's executed Notice of Eligible Facility Costs has been received or October 30, whichever is earliest.
- (f) If a Grantee's Final Fiscal Year Entitlement is less than the amount disbursed to the Grantee through the first two apportionments the Authority shall provide the Grantee with notice and require that the Grantee reimburse the Authority for the excess within 60 days of the Grantee's receipt of such notice.
- (g) Prior to disbursement of funds for costs associated with remodeling buildings, deferred maintenance, initially installing or extending service systems and other built-in equipment, improving sites, and common area maintenance, the Grantee shall complete the annual Invoice Expenditure Report, provided by the Authority. Grantee shall also submit supporting invoices, work orders, or other evidence of completed work to the Authority. Upon presentation of such evidence of actual costs incurred, such costs shall be reimbursed as a portion of the final apportionment. Such evidence shall be provided to the Authority no later than July 15 of the applicable Fiscal Year.
- (h) At any time during each Fiscal Year the Authority reserves the right to:
  - (1) Adjust each Grantee's Estimated Annual Entitlement on a pro rata basis based on the number of approved Grantees, the total amount of Estimated Annual Entitlements, and the amount of funds available;
  - (2) Adjust Estimated Annual Entitlements for individual Grantees based on the Authority's receipt of updated data from the Grantee or the Department; and
  - (3) If final data for FRPM Eligibility provided by the Department establishes that the Grantee is not eligible for the program pursuant to Section 10170.3(d), request reimbursement of grant funds already disbursed to the Grantee consistent with subdivision (d).

Note: Authority cited: Section 47614.5, Education Code. Reference: Section 47614.5, Education Code.

**§ 10170.10. Notification of Grantee; Appeal Process.**

- (a) The Authority will provide notice to each Applicant of Authority staff's eligibility determination and award calculation pursuant to Sections 10170.7 and 10170.8.
- (b) An Applicant shall have 30 calendar days from receipt of the Authority's notice to request reconsideration of eligibility or the award calculation by Authority staff.
- (c) Authority staff shall have 30 calendar days to review an Applicant's request for reconsideration and provide a final staff decision.
- (d) If the Applicant is unsatisfied with Authority staff's final decision, the Applicant shall have 30 calendar days following receipt of notice of the decision to notify the Authority that the Applicant wishes to appeal the matter to the Authority board.
- (e) Upon receipt of an appeal notice from an Applicant, the matter will be considered by the Authority board at the next regularly scheduled Authority meeting.
- (f) Applicants may request a single extension of up to 30 days for either of the deadlines provided in Section 10170.10 (b) or (d). Including the 30 day extension, the entire Appeal Process under subsections (b)-(d) may not exceed 120 days. The extension request must be approved by Authority staff and can be granted only one time during an appeal process. Staff shall consider the request for extension based on a showing of good cause

and evaluate on a case-by case basis. Extensions granted under these conditions are considered final and not subject to an additional appeal process.

- (g) If an appeal is not able to be resolved by the deadlines provided in Section 10170.10 (b), (d), and (f), the Authority shall deny the appeal based on a failure to comply with Program regulations. This decision is considered final and is not subject to an additional appeal.
- (h) If an eligibility determination or award calculation is modified by Authority staff or the Authority Board, changes in apportionments will be processed and distributed to the Applicant within 30 days.

Note: Authority cited: Section 47614.5, Education Code.

Reference: Section 47614.5, Education Code.

#### **§ 10170.11. Obligation and Expenditure of Grant Funds.**

- (a) Each Grantee shall defend, indemnify and hold harmless the Authority and the state, and all officers, trustees, agents, and employees of the same, from and against any and all claims, losses, costs, damages, or liability of any kind or nature, whether direct or indirect, arising from or relating to the grant and the project or the program.
- (b) Each Grantee shall comply with any audit provisions as may be required by the Authority and/or the State Controller.
- (c) Each Grantee shall maintain a valid charter and operate a charter school continuously throughout the Fiscal Year. The Authority reserves the right to routinely contact the Chartering Authority directly seeking written verification that the Grantee is in good standing and in compliance with the terms of its charter.
- (d) Each Grantee shall notify the Authority, within 30 days, of any material changes to the charter school's facilities, enrollment, FRPM Eligibility, charter status, student operations, or scope of the project that occurs between the time of Application and the end of the grant period.

Note: Authority cited: Section 47614.5, Education Code.

Reference: Section 47614.5, Education Code.

#### **§ 10170.12. Approval of Grant Use Change.**

The Authority may, on a case-by-case basis, consider a change in the use of the grant funds if the Grantee demonstrates that the change is consistent with the program and this Article.

Note: Authority cited: Section 47614.5, Education Code.

Reference: Section 47614.5, Education Code.

#### **§ 10170.13. Audits.**

- (a) The Authority and/or the State Controller may conduct or require periodic audits to ensure Grantees are using grant funds consistent with the requirements of the program and this article as approved. Grantees shall retain all documentation and financial data necessary to substantiate the purposes for which the grant funds were spent for a period of three years after the end of the grant period.
- (b) Grantees may be required to routinely verify continued eligibility.

- (c) The Authority reserves the right to conduct site visits to any charter school facility or project receiving a grant pursuant to this Article.

Note: Authority cited: Section 47614.5, Education Code.  
Reference: Section 47614.5, Education Code.

**§ 10170.14. Conflicts of Interest.**

- (a) For purposes of this section, the following definitions shall apply:
  - (1) "Affiliate" shall mean a shareholder, partner, member, officer or board member of, or person who directly or indirectly controls, a Corporate Entity.
  - (2) "Corporate Entity" shall mean any type of organization or legal entity other than an individual, including a corporation, partnership, limited liability company or unincorporated association.
  - (3) "Related Party" shall mean:
    - (A) School Official or a spouse, domestic partner, or dependent child of a School Official; or
    - (B) A Corporate Entity if a School Official or a spouse, domestic partner, or child of a School Official is an Affiliate of the Corporate Entity, except that a non-profit Corporate Entity formed exclusively for the purpose of managing or providing support to the Applicant or Charter School or to a group of related charter schools, and any direct or indirect wholly-owned subsidiary of any such Corporate Entity, shall not be considered a Related Party.
    - (C) "School Official" shall mean a board, member, officer, or employee of an Applicant or the Charter School.
- (b) Grantees must avoid actual conflicts of interest when applying for or receiving grants from the Authority.
- (c) Grant funds may not be used by an Applicant or Charter School to pay for any lease or rental or service agreement with a Related Party, unless all of the following conditions are satisfied:
  - (1) The Related Party, and, in the case of a Corporate Entity, any School Official who is an Affiliate of the Corporate Entity, abstains from voting, or participating in the discussion of the governing board of the Charter School, regarding approval of the lease, rental agreement, or any amendment thereto;
  - (2) The Related Party, and, in the case of a Corporate Entity, any School Official who is an Affiliate of the Corporate Entity, abstains from voting, or participating in the discussion of the governing board of the Charter School, regarding the decision to apply for a grant to cover costs associated with the lease or rental agreement, as well as abstaining from participating in the Application for grant funds or administration of the Charter School's receipt of grant funds;
  - (3) The Related Party, and, in the case of a Corporate Entity, any School Official who is an Affiliate of the Corporate Entity, discloses its interest in the lease or rental agreement to the governing board of the Charter School;
  - (4) The amount of the lease or rent is at or below Fair Market Rent based on an Independent Appraisal paid for by the Applicant or Charter School or the governing board in approving the lease or rental agreement or amendments thereto has made a finding that the agreement is reasonable under the circumstances, and
  - (5) The lease or rental agreement is not signed by the Related Party, or in the case of a Corporate Entity, by any School Official who is an Affiliate of the Corporate Entity, on behalf of the Applicant or Charter School.

- (d) Nothing in this section is intended to supercede Government Code Section 1090, the Political Reform Act (commencing with Government Code Section 81000), or any other conflicts of interest laws that may be applicable to the Applicant or Charter School's participation in the program.

Note: Authority cited: Section 47614.5, Education Code.

Reference: Section 47614.5, Education Code.

**§ 10170.15. Funding Contingency.**

- (a) Funding for this grant program in each Fiscal Year is contingent upon the appropriation of funds.
- (b) Apportionments to each Grantee will be contingent upon the Grantee's continuing eligibility to receive such apportionments.
- (c) The Authority or Authority staff may seek third party verification regarding any and all applicable costs associated with the facility/project receiving a grant pursuant to this Article.

Note: Authority cited: Section 47614.5, Education Code.

Reference: Section 47614.5, Education Code.



Item: K-3  
FOR BOARD MEETING  
ON: 5/29/96  
 Mail  Distribute  
at Meeting

ORANGE COUNTY DEPARTMENT OF EDUCATION

BOARD AGENDA ITEM

DATE: May 6, 1996  
TO: John F. Dean, Ed.D., via Lynn April Hartline  
FROM: John L. Nelson, Ed.D., Assistant Superintendent  
SUBJECT: Resolution #17-96  
Apportionment for Laguna Beach Unified School District

Attached is a resolution to approve an apportionment of \$3,000,000 to the Laguna Beach Unified School District. These monies will be repaid during the 1996-97 fiscal year. The County School Service Fund will be repaid for principal, interest expense, and their share of the issuance costs through direct journal transfer initiated by the County Superintendent of Schools office.

JLN:rh

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RECOMMENDATION:

Approve Resolution #17-96 apportioning up to the maximum amount of \$3,000,000 to the Laguna Beach Unified School District.

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RESOLUTION OF THE ORANGE COUNTY BOARD OF EDUCATION  
AUTHORIZING THE APPORTIONMENT OF FUNDS TO THE LAGUNA  
BEACH UNIFIED SCHOOL DISTRICT

WHEREAS, Education Code Section 42621 and 42662 authorize the County Superintendent of Schools, with the approval of the County Board of Education, to make an apportionment to a school district from the County School Service Fund;

WHEREAS, the sole purpose of this transaction is to assist the Laguna Beach Unified School District in meeting temporary cash flow needs.

NOW, THEREFORE BE IT RESOLVED, the Orange County Department of Education Board of Education grants a temporary apportionment from the County School Service Fund, pursuant to Education Code Section 42622, in the amount of \$3,000,000, to be repaid during the 1996-97 fiscal year.

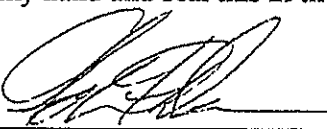
NOW, THEREFORE BE IT FURTHER RESOLVED, the Orange County Department of Education understands that these funds will be repaid by the Laguna Beach Unified School District for principal, interest expense, and their share of the issuance costs through direct journal transfer initiated by the County Superintendent of Schools office.

- AYES: Members: Primrose, Parker, McCormick, Rocha and Meyers
- NOES: Members:
- ABSENT: Members:

STATE OF CALIFORNIA )  
COUNTY OF ORANGE )

I, JOHN F. DEAN, Ed.D., County Superintendent of Schools and Secretary to the Board of Education of Orange County, California, hereby certify that the foregoing Resolution was duly and regularly adopted by the said Board at a regular meeting thereof held on the 29th day of May, 1996.

IN WITNESS THEREOF; I have hereunto set my hand and seal this 29th day of May, 1996.

  
\_\_\_\_\_  
JOHN F. DEAN, Ed.D.  
County Superintendent of Schools  
and Secretary, Board of Education

CA

ORANGE COUNTY BOARD OF  
BOARD AGENDA ITEM

DATE: May 1, 2024  
TO: Renee Hendrick, Deputy Superintendent  
FROM: Jorge Valdes, Esq., Trustee Area 1  
SUBJECT: Board Member Stipend

California Education Code §1090 provides in relevant part:

“(a) The Board of Supervisors may allow, compensation, to each regular member of the County Board of Education a sum not to exceed the following amounts:

(a) (2) In any class two County, each regular member of the County Board of Education who actually attends all meetings held may receive compensation for the regular member's services a sum of not to exceed \$400 per month.

(c) The amount of compensation shall be determined by the County Board of Supervisors, or, in the county having a fiscally independent County Board of Education, by the County Board of Education.

(g) On an annual basis, the County Board of Education may increase the compensation of individual regular members of the board beyond the limits delineated in this section, in an amount not to exceed 5% on the present monthly rate of compensation. Any increase made pursuant to this section shall be effective upon approval of the County Board of Education. This action may be rejected by a majority of the voters in the county voting in a referendum established for that purpose, as prescribed by Chapter 2 (commencing with section Section 9100) of Division 9 of the Elections Code.”

Accordingly, the California Education Code permits an annual stipend increase of up to 5% per year.

The Orange County Board of Education ("Board") stipend is currently \$562.61 per month. The stipend is comparable class two California counties. The Board last voted to increase its stipend in 2007. If approved by majority vote this item would increase the Board stipend from \$562.61 per month to \$590.74, still less than five (5) California class two counties. (Alameda, Contra Costa, Fresno, Los Angeles, and Riverside).

**RECOMMENDATION:**

Approve increase in Board Member stipend, pursuant to California Education Code §1090, by \$28.13 per month.