

EXECUTIVE DIRECTOR'S REPORT

September 25, 2017

The mission of the YPI Charter Schools (YPICS) is to prepare students for academic success in high school, as well as post--secondary education; prepare students to be responsible and active participants in their community; and enable students to become life-long learners. Students at YPI Charter Schools will become active citizens who characterize the ideals of a diverse and democratic society. Students will provide service to their community, take responsibility for their own learning, and develop the habits of mind and body that will empower them to be successful in high school and beyond.

CCSA:

Increase in Membership Fees

Dear Charter School Leaders,

Earlier this week, the charter school leaders who make up CCSA's Board and Member Council and other key charter school leaders asked you to support a membership dues increase. We at the Association are gratified to hear the many kind things these members said about our efforts to serve California's charter schools. We are also greatly appreciative of the immediate response we have heard from members across the state who have already expressed their support for a membership dues increase.

Without doubt, the past decade has been a period of incredible growth and momentum for California's charter schools, and all of us at CCSA are simply astounded by the amazing progress that you, our members, have made. Whether it's growing the movement to serve more students, making breakthroughs serving our most vulnerable students, generating undisputably higher levels of learning in many of our most historically underserved student communities, or advancing innovations that are now working their way into all public schools in California, CCSA's members have played a catalytic role helping public education improve for all California students.

And yet, for all the progress that the charter school movement has made, there still remains a small but very powerful minority that opposes our progress, and they are doing all they can to knock our movement off stride. Indeed, if we look over the last year, we have seen simply unprecedented attacks against our schools – whole websites and media campaigns created to spread lies and inaccuracies about charter schools, whole new policy positions taken at the state and national levels calling for the defacto elimination of our schools, wantonly irresponsible proposed legislation taking direct aim at the things that allow charter schools to succeed with students, and a constant barrage of local attacks that force our schools to deal with ridiculousness having nothing to do with what is right for kids and families. Unfortunately, as we look to the future, we see ample reason to believe that even greater backlash and unfair attack await us in the years ahead.

In order to come through this new period of heightened risk and opportunity, charter school operators and CCSA are going to have to simply up our game – to take on the additional challenges needed to grow our advocacy strength in the face of new unprecedented threats. A clear part of that will be our membership organization having the resources we need to continue building our

capacities – the government affairs, regional advocacy, legal defense, communications and grassroots work – that have allowed us to overcome the challenges of the recent past both in the state capitol as well as in school districts and counties across this state.

For more than a decade, CCSA has kept our membership dues flat, but we know the challenges that lay ahead require something different. That is why we were so thankful when the operators on our Board and our Member Council led the effort to ensure CCSA will have the financial stability needed to keep our movement strong well into the next decade. It is also why I ask you, if you have not done so already, **please click this link and join your colleagues who have committed to support a membership dues increase**. If you have questions, please email membership@ccsa.org or call CCSA at [213-244-1446](tel:213-244-1446).

I thank you once again for the incredible efforts you are making on behalf of your students and communities. Continuing to work together, I am confident that our collective efforts will lead to history making progress on behalf of even more charter school students and families across California.

Sincerely,

Jed Wallace
President and CEO
California Charter Schools Association

Statement from Jed Wallace and CCSA regarding Trump Administration Rescinding DACA

September 5, 2017

CCSA is deeply disappointed in the action taken by the Trump Administration today, which places hundreds of thousands of immigrant students benefiting from our public education system in jeopardy by rescinding the Deferred Action for Childhood Arrivals (DACA) program. We believe it is unconscionable to punish DACA recipients who were brought here as children, many of whom have only known the US as their home. Many DACA recipients are attending, have graduated from, or are employed in California charter schools. These young people, along with hundreds of thousands of other Dreamers, have built professional and personal lives that are resulting in vitally important contributions happening in communities across California and indeed across this entire nation, and they deserve much better treatment than they are seeing today.

Since it first came into question whether DACA would be continued, CCSA has taken a firm stance in support of Dreamers and has [called upon our members](#) to take action in support of extending protections for young people under the DACA program. We see these efforts as a natural extension of the work we do on an everyday basis to advance the values of social justice and civil rights that have motivated the charter school movement since its inception. Put simply, we believe that public education is a fundamental right that all young people are entitled to in our state and in our country, and any discontinuation of the DACA program puts at risk that fundamental right.

To that end, CCSA will actively monitor the advocacy landscape and will encourage our members to take additional action to ensure that all Dreamers receive the permanent solution they deserve. In the meantime, should you have questions or comments about CCSA's advocacy efforts related to the DACA program, or should you wish to access resources regarding immigration matters of particular interest to charter schools, we encourage you to visit CCSA's [website](#) or email us at info@ccsa.org.

Sincerely,
Jed Wallace
President and CEO
California Charter Schools Association

Charter Schools in LAUSD Charter Operated Program (Option 3) Enrolling More Students with Severe Disabilities, Closing Special Education Achievement Gap

September 5, 2017 In 2011, the charter community and LAUSD came together to build an arrangement, known as the Charter Operated Program: Option 3 (COP3), offering charters flexibility and autonomy while maintaining their participation in the LAUSD SELPA. The COP3 has enabled participating charter schools to provide an expanded range of innovative and high-quality special education services and to increase the number and range of students with special needs that they serve. Our [new report](#) examines the impact of COP3 on enrollment and outcomes of students with disabilities.

Population: Increase:

After six years of operation, the percentage of students with special needs served by the nearly 140 COP3 member schools has increased by over 40% (11.5% of total enrollment in 2016-17). The population of students with moderate-to-severe disabilities has doubled (2.3% of total enrollment in 2016-17). The largest increase is seen in the shrinking proportion of students identified with learning disabilities and a corresponding increasing proportion of students identified with lower-incidence disabilities, including intellectual disabilities, autism spectrum disorders, and orthopedic impairments.

Improved Academic Outcomes: At the same time, COP3 charter schools have made real gains in improving academic outcomes of students with disabilities. On the 2015-16 statewide assessments (CAASPP), students with disabilities outperformed their district counterparts with 13% of COP3 students with disabilities meeting or exceeding English Language Arts (ELA) standards (compared to 10% in district-operated schools). In mathematics, 8% COP3 students with disabilities met or exceeded standards (compared to 7% in district-operated schools).

Increased Graduation Rates:

The most transformative gains, however, are seen in special education subgroup graduation rates. The data shows that students with disabilities are 1.5 times more likely to graduate from a COP3 charter school than from a district-operated school (an 82% special education graduation rate in COP3 schools vs 55% in district-operated schools). This is an outstanding achievement as graduating with a high school diploma is among the top predictors of postsecondary success.

What Makes COP3 Successful:

The COP3 is an innovative arrangement that is unique to LAUSD and unparalleled in California. The keys to its success lie in its governance and finance structures. Member schools, while continuing to operate under the umbrella of LAUSD, have full autonomy and bear full responsibility for providing special education services to their students and receive most of their special education funding directly. These schools still contribute a portion to LAUSD for administrative costs; however, they retain most of their special education funding to provide services, to develop their own programs (specifically targeted for students with moderate to severe disabilities) and/or to pool resources between schools. The COP3 structure has, for the first time, allowed charter schools to share services, manage risk, and take advantage of the economies of scale not possible in other arrangements.

The latest data from LAUSD affirms that this innovative model is empowering charter schools to serve all students and resulting in better outcomes for students. We look forward to continuing our collaboration with the district and encourage other districts to implement similar models to ensure the growth of high quality supports and services for students across all settings.

National:

National Alliance Statement on the Senate Labor-HHS Appropriations Bill

The Senate Labor-HHS Appropriations Subcommittee on September 6, 2017 recommended a \$25 million increase to the federal Charter Schools Program (CSP). National Alliance President and CEO Nina Rees has released the following statement in response to the Subcommittee’s action:

“Today the Senate Labor-HHS Appropriations Subcommittee demonstrated continued support for public charter schools by recommending a \$25 million increase to the Charter Schools Program (CSP). This increase would bring total funding for Fiscal Year 2018 to \$367 million. This critical funding would allow more high-quality charter schools to open, expand, and replicate—giving more students access to great school options and high standards that can help set them up for lifetimes of success. We are grateful to Subcommittee Chairman Roy Blunt and Ranking Member Patty Murray for their continued support.

“However, we urge Congress to lift the FY 2018 budget cap on non-defense discretionary spending. With a higher cap, Congress could meet the goal of \$500 million in CSP funding for FY 2018 and provide funding for other crucial programs on which many of our students, their families and communities depend.

“We look forward to additional progress in meeting American families’ demands for high-quality, high-standards charter schools as the appropriation process moves forward.”

First Charter School Opened Doors 25 Years Ago

Representative Virginia Foxx of North Carolina, chairwoman of the U.S. House Committee on Education and the Workforce, [commemorated the 25th anniversary](#) of the opening of the nation’s first charter school and praised the hope and opportunity charter schools across the country provide for students and families.

State:

Legislative Analyst’s Office Releases Preliminary Analysis of California’s 2017-18 Spending Plan

On July 12, 2017, the Legislative Analyst’s Office (LAO) published its preliminary analysis of California’s spending plan as enacted by the 2017-18 State Budget. The Budget package includes \$180 billion in state spending, of which just over \$125 billion comes from the state’s General Fund. The 2017-18 package increases state spending over 2016-17 expenditures by 7%, with a 3% (\$3.7 billion) increase in General Fund spending.

The LAO notes that the Brown Administration’s revenue projections, as used in the enacted State Budget, assume an increase in revenues from the “Big Three”—personal income, sales and use, and corporation taxes—of \$6.3 billion from the revised 2016-17 revenue projections, most of which is generated by the personal income tax (\$5.6 billion).

Regarding Proposition 98 and education funding, the LAO report succinctly captures the calculated reductions to the Proposition 98 minimum guarantee for fiscal years 2015-16 through 2016-17 due to lower-than-expected General Fund revenues, even though education spending increases over the two-year period. For 2017-18, the LAO reports that education spending exceeds revised 2016-17 levels by \$3.1 billion across the period covered by the Budget (or fiscal years 2015-16 through 2017-18). This includes:

- \$2.1 billion in ongoing increases
- \$328 million in one-time investments from other sources
- \$593 million in Proposition 51 general obligation bond proceeds for facilities

Diving deeper into these large investment categories, the report covers the various education initiatives funded by the Budget, beyond the nearly \$1.4 billion increase to fund the Local Control Funding Formula (LCFF), including an additional \$877 million in one-time discretionary funding and investments to address the teacher shortage crisis, Career Technical Education, support for refugee students, an increase to the After School Education and Safety Program, and adjustments to the Mandates Block Grant, most of which have been covered in prior *Fiscal Report* articles.

Finally, the LAO report draws readers’ attention to the six-year extension of the District of Choice (DOC) Program, maintaining the program through July 1, 2023. This extension comes with several new requirements, including new student selection rules that give priority to low-income students and military dependents and require the use of a lottery if the number of students desiring to transfer in exceed the number of slots available in the DOC, additional outreach efforts, and reporting requirements by the DOC to both “home” districts and their respective county offices of education.

The LAO will update its analysis in early fall to include adjustments that may be warranted by later legislative action.

SBE Approves California ESSA State Plan at September [Board Meeting](#)

On September 13, 2017, the State Board of Education (SBE) approved California’s Every Student Succeeds Act (ESSA) State Plan that will be sent to the U.S. Department of Education (ED) on September 18, 2017.

As a reminder, the ESSA was signed into law by former [President Barack Obama](#) on December 10, 2015. The law reauthorized the 50-year-old Elementary and Secondary Education Act and replaced the No Child Left Behind (NCLB) Act. As part of the transition from NCLB to the ESSA, each state is required to submit an ESSA State Plan to the ED. The ESSA State Plan requires each state

to describe how it will use federal dollars in its implementation of standards, assessment, accountability, and [assistance programs](#). California is expected to receive approximately \$2.6 billion this year in funding through the ESSA.

As expected, the SBE only made a few changes to the draft plan that was approved at its July meeting and released to the public in August. Most Board Members held the opinion that the approved plan satisfied their obligation to the [federal](#) government without compromising the educational reforms of the Local Control Funding Formula (LCFF). Throughout the 18-month process of drafting and ultimately approving the finalized plan, the SBE consistently maintained that it wanted to meet the ESSA requirements while retaining the tenets and structure of the LCFF.

However, the ESSA State Plan did not receive unanimous approval with Board Members Patricia Rucker and Feliza Ortiz-Licon voting against the plan in an 8-2 vote. Echoing the critiques of several civil rights and student advocacy organizations, Ortiz-Licon expressed her disappointment that the plan does not detail how California plans to narrow the achievement gaps and accelerate the growth of student subgroups that continue to lag behind their peers. The opinion differed from SBE President Michael Kirst who began the discussion by responding to several reports that have been critical of California's plan. Kirst complained that the critics were looking only at the ESSA State Plan rather than the entire context of California educational policy.

One of the few changes that the SBE made from the August draft plan to the adopted plan centered around the definition of an ineffective teacher. The August plan defined an ineffective teacher as "one who is improperly assigned or doesn't have full credentials." The SBE decided to remove the word "full" from the August definition, which appeased some of the concerns expressed by educational organizations, but drew opposition from the California Teachers Association which claimed that the decision to remove the word "full" from the definition was rushed and ill-conceived.

California, along with 30 other states, will submit its plan to the ED on Monday and it will likely be several months before the state hears feedback from the federal government.

In addition to adopting the ESSA State Plan, the SBE approved: 1) several California Department of Education (CDE) staff-recommended revisions to the [calculations](#) of the state indicators for the fall 2017 Dashboard release; 2) the CDE-proposed revisions to the summative assessment (SA) test blueprints for the English Language Proficiency Assessments for California (ELPAC); 3) the revised general performance level descriptors; and 4) the reporting hierarchy of the ELPAC SA and initial assessment score reports (the full SBE agenda can be found [here](#)). The SBE's next meeting will be in November right before the fall 2017 Dashboard public release.

CalSTRS Reports 13.4 Percent Net Investment Return for FY 16-17

Ongoing emphasis on 30-year investment horizon and progress toward long-term funding plan:

WEST SACRAMENTO, Calif. – July 20, 2017 – The California State Teachers' Retirement System announced today that the fund posted a [13.4 percent net of fees return](#) for the 2016-17 fiscal year, with growth being driven by strong performance across all markets, led by non-U.S. equity. As of June 30, 2017, the total fund value was \$208.7 billion.

This year's performance marks a successful year for CalSTRS following two fiscal years with single digit returns. However, in keeping with CalSTRS' long-term focus, Chief Investment Officer Christopher J. Ailman cautioned against making too much of a single year's high performance.

"Just as one bad year will not break us, one good year won't make us. We intentionally keep our eyes focused on a 30-year horizon and make our adjustments with that timeframe in mind, rather than reactively responding to any given situation at-hand," Mr. Ailman added. "Investment performance over time is the true hallmark and measure of success in a pension fund like CalSTRS, as we aim to achieve long-term value creation to secure the retirement futures for more than 914,000 California educators."

The current year's performance will be a positive contributor to CalSTRS' 7.0 percent 30-year investment return assumption, adopted by the Teachers' Retirement Board in February 2017 as part of the two-year phased-in approach outlined in the [actuarial experience study](#).

"While this year's performance is obviously great news, we need to keep in mind that returns are just one piece of the overall funding picture for CalSTRS," said Chief Executive Officer Jack Ehnes. "The [long-term funding plan](#), set into motion by the Governor and Legislature in July 2014 via AB 1469, established a predictable schedule of contribution rate increases shared between members, the state and employers over a 32-year span to bring CalSTRS toward full funding by 2046. The funding plan is a model of shared responsibility, and it works in tandem with the positive return performance that the investment portfolio generates, to advance CalSTRS along the path of long-term sustainability."

State Treasurer Announces \$2.5 Billion in Bond Sales

On Wednesday, August 30, 2017, State Treasurer John Chiang announced via [press release](#) the completion of \$2.5 billion in general obligation and refunding bonds for a variety of projects including about \$510 million for school construction and modernization projects. The bonds are backed by the state of California and received an "Aa3" rating by Moody's Investors Service as well as an "AA-" rating from both Standard & Poor's and Fitch Ratings.

A bulk of the \$510 million for schools, approximately \$446 million, came from Proposition 51 bonds. Proposition 51 was passed by voters last November and authorized \$9 billion in general obligation bonds for new construction and modernization of K-12 public school facilities and California community college facilities.

Despite the pleas from the Coalition for Adequate School Housing (CASH) and other school officials to release more Proposition 51 bond funding, the Brown Administration chose to provide only enough funding to cover the projects that are on the Unfunded List, projects that have already received approval and are awaiting funding. CASH wanted the Administration to also cover the nearly \$2.4 billion in projects on the Acknowledged List, projects that are awaiting processing by the Office of Public School Construction and approval from the State Allocation Board.

Proposition 51 bonds are scheduled to be a part of the spring 2018 bond sale, but the Administration has yet to determine the exact amount that will be released.

Governor Signs a Handful of Education Bills

While the Senate and Assembly Appropriations Committees were busy releasing over 360 bills from the Suspense Files last Friday, Governor Jerry Brown took action on over 40 bills that had already made it to his desk. Of those, only a handful impact K-12 education. Below are summaries of three K-12 education bills Governor Brown signed into law.

Assembly Bill (AB) 681 (Chapter 199/2017) Teacher credentialing: teacher preparation outside of the United States: temporary certificates.

This bill authorizes the Commission on Teacher Credentialing (CTC) to determine whether the national teacher credential standards in foreign countries are equivalent to California teacher credentialing standards, in order to expedite the processing time for teacher credential applications from foreign countries; and, specifies that school districts and county offices of education shall not issue a temporary certificate authorizing classroom service until proof that the individual has obtained a credential, certificate, or permit authorizing the performance of services in the public schools from CTC.

AB 872 (Chapter 167/2017) School employees: employment: sex offenses.*

Current law prohibits the employment or retention of employment by a school district of a person convicted of a sex offense and defines the term “sex offense” for those purposes and for specified other provisions relating to schools and school employees. This bill updates the list of sex offenses that require CTC to suspend a person’s credential by referencing the list of offenses in the California Penal Code that require registration as a sex offender.

**Note: This bill was signed last month by Governor Brown*

AB 1142 (Chapter 208/2017) High school diplomas: State Seal of Biliteracy: English learners.

This bill updates the criteria used to determine eligibility for the State Seal of Biliteracy (SSB) to reflect new state assessments in English language development and English language arts, and to authorize SSB for pupils who seek to qualify through a language that is not characterized by listening, speaking, reading, or for which there is no written system.

All three of these bills will go into effect on January 1, 2018.

Legislature Wraps Up the First Year of the 2017-18 Legislative Session

The Legislature concluded its work for the first year of the 2017-18 legislative session into the wee hours of Saturday, September 16, 2017, sending hundreds of measures to Governor Jerry Brown for his consideration.

The new 72-hour rule, which requires any legislation to be in print and online in its final form for at least 72 hours before being voted on by the Legislature, appeared to prevent lawmakers from “gutting and amending” legislation during the [final hours](#) of session, a process in which a bill’s original content is removed and replaced with completely different provisions (see, “[72-Hour Rule Faces First End-of-Session Test](#),” in the September 22, 2017, *Fiscal Report*).

With no last minute amendment surprises the Legislature worked methodically through the final slate of bills. Some of the more controversial bills that would affect public education had their fates decided in the final hours of session including a bill that would prohibit middle and high schools from starting before 8:30 a.m., a bill that would establish a state-run Science, Technology, Engineering, and Mathematics (STEM) school for students in Los Angeles County, and the so-called “sanctuary state” bill.

The “sanctuary state” bill, [Senate Bill \(SB\) 54 \(de León, D-Los Angeles\)](#), passed out of the Assembly on a 51-26 vote and then its [amendments](#) were subsequently concurred in by the Senate by a vote of 27-11, sending the bill to Governor Brown’s desk. The Governor is likely to sign the bill after its author, Senate President Pro Tempore Kevin de León, took amendments earlier this

week at the behest of Brown. The bill would require the Attorney General, in consultation with stakeholders, to publish model policies limiting assistance with immigration enforcement to the fullest extent possible. Public entities, including public schools, would then have to implement that policy or an equivalent policy. The bill would also prohibit, with certain exceptions, state and local law enforcement agencies, including school police and security departments, from using resources, money, or personnel to investigate, interrogate, detain, detect, or arrest persons for immigration enforcement purposes.

The late school start time bill, [SB 328 \(Portantino, D-La Cañada Flintridge\)](#), failed passage in the Assembly late Thursday evening after receiving only 26 votes, needing 41 to pass. The bill would have prohibited school districts, including [charter schools](#), from beginning the school day for middle and high schools earlier than 8:30 a.m., while allowing rural school districts to seek a waiver from the State Board of Education to delay implementation. The bill was opposed by the very powerful California [Teachers Association](#) as well as the California Association of School Business Officials, the California School Boards Association, and the California Charters School Association. Despite the bill's failure, Senator Portantino indicated that he will bring this bill back up in 2018.

The state-run STEM school bill, [Assembly Bill \(AB\) 1217 \(Bocanegra, D-San Fernando\)](#), was referred to the Senate inactive file on Friday evening, effectively killing the bill for 2017. The bill would have established a state-run school governed by a nonprofit public benefit corporation for the purpose of providing STEM education to historically underrepresented students in Los Angeles County. AB 1217 united labor unions, school management organizations, and the Department of Finance against the bill. Opponents argued that the bill would have allowed the Legislature to create a state-run charter school while circumventing the charter school approval process and usurping governance authority from locally elected school boards. Don't be surprised to see the author bring this bill back in 2018 after some fine-tuning.

Bills that did not make it through the full legislative process can be taken up again in 2018, when the Legislature returns on January 3. For those bills that passed out of the Legislature, [Governor Brown](#) has until October 15 to sign, veto, or allow the bill to become law without his action.

District:

The LAUSD Charter Schools Division released the 2017-2018 "District Required Language" on August 16. The revised language reflects some changes and will be used as the renewal documents for FCLA and STEM are prepared.

Dixon Deutsch, the Director of the LAUSD Charter Operated Programs, announced that agreement has been reached on the amount Option 3 schools will contribute. The amount will remain 20% of AB 602 and IDEA revenue for the next five years for schools that renewed in 2017 (FACS, SMBCCS and FPC).

YPICS:

The work of the Executive Administrative Team along with school-site leadership and staff have spent July and August preparing for the opening of the 2017-2018 School Year. Each of the school leadership teams took a deep dive to review the survey data from Youth Truth and Parent Conference data. Each Team developed action plans to respond to the survey outcomes on how to improve their schools. The YPICS Organizational theme this year is "Excellence whatever it takes!" We have reviewed the mission and vision of our schools along with our core values. Starting at the top of the organization we will continue to work toward excellence in leadership, academic delivery, operations, student support, and ultimately student outcomes. At the beginning of all meetings we will remind the organization of what we are working

toward this year and all YPICS Leadership meetings will include training regarding risk management and school safety by Safe Schools along with academic and school transformation training.

Each of the schools has administered a baseline NWEA Maps assessment to determine where students are now. Our instructional focus is ensuring that all students have access to strong first time direct instruction and a variety of opportunities of small group work with the teacher. Additionally, reviewing the data suggests that our English Learners (ELs) need the greatest attention across the agency. Therefore, this year our professional development focus will continue to be Mastery Grading and implementing best practice instructional strategies to support ELs achieve greater academic outcomes in both English Language Arts and Mathematics. We know that if we can move our ELs and students who have IEP accommodations then we have implemented strategies that will help all of the students to succeed. We will continue to use our focus on project-based learning to connect classroom instruction to real life and to continue to push our gifted and talented students.

Additionally, we will focus more closely on progress monitoring and data chats with teachers throughout the year. Teachers will use the data more intently to create action plans immediately to respond to the academic gaps of their students. We have reached out to colleagues this summer to have discussions about using our Illuminate system more effectively. We are thankful to Dr. David Reddick, Director Santa Monica Charter School, for sharing with us quick tips on Illuminate reports that will better help us in this effort.

We are off to a great start and we are looking forward to great outcomes this school year!