California Department of Education
Charter Schools Division
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**ADVISORY COMMISSION ON CHARTER SCHOOLS**

AN ADVISORY BODY TO THE STATE BOARD OF EDUCATION

# April 2025 AgendaItem #01

## Subject

Consideration of Determination of Funding Requests as Required for Nonclassroom-Based Charter Schools Pursuant to California *Education Code* Sections 47612.5 and 47634.2, and Associated *California Code of Regulations*, Title 5.

## Type of Action

Action, Information

## Summary of the Issue

California *Education Code* (*EC*)sections 47612.5 and 47634.2 establish the eligibility requirements for apportionment funding for charter schools that offer nonclassroom-based (NCB) instruction. The statutes specify that a charter school that offers NCB instruction in excess of the amount authorized by *EC* Section 47612.5(e)(1) may receive apportionment funding for NCB instruction only if a determination of funding is made by the California State Board of Education (SBE).

Pursuant to *California Code of Regulations*, Title 5 (5 *CCR*), the California Department of Education (CDE) reviews a charter school’s determination of funding request and presents it for consideration to the Advisory Commission on Charter Schools (ACCS). The ACCS shall develop a recommendation to the SBE, and the CDE shall present that recommendation to the SBE.

This item considers the determination of funding requests from 27 charter schools.

## Proposed Recommendation

The CDE proposes to recommend that the SBE approve the determination of funding requests from 27 charter schools at their requested levels of funding and for the time periods provided in Attachment 1.

## Funding Determination Criteria

*EC* Section 47634.2(a)(1) provides the following:

Notwithstanding any other provision of law, the amount of funding to be allocated to a charter school on the basis of average daily attendance that is generated by pupils engaged in nonclassroom-based instruction…shall be adjusted by the State Board of Education. The State Board of Education shall adopt regulations setting forth criteria for the determination of funding for nonclassroom-based instruction, at a minimum the regulation shall specify that the nonclassroom-based instruction is conducted for the instructional benefit of the pupil and substantially dedicated to that function. In developing these criteria and determining the amount of funding to be allocated to a charter school pursuant to this section, the State Board of Education shall consider, among other factors it deems appropriate, the amount of the charter school’s total budget expended on certificated employee salaries and benefits and on schoolsites, as defined in paragraph (3) of subdivision (d) of Section 47612.5, and the teacher-to-pupil ratio in the school.

*EC* Section 47634.2(a)(4) further states:

For the 2003–04 fiscal year and each fiscal year thereafter, the amount of funding determined by the State Board of Education pursuant to this section shall not be more than 70 percent of the unadjusted amount to which a charter school would otherwise be entitled, unless the State Board of Education determines that a greater or lesser amount is appropriate based on the criteria specified in paragraph (1) of subdivision (a).

Pursuant to *EC* Section 47634.2 and SBE-adopted regulations, a charter school may qualify for 70 percent, 85 percent, or 100 percent funding, or may be denied funding (i.e., 0 percent) for its NCB instruction.

To qualify for a recommendation of 100 percent funding, a charter school must meet the following criteria as outlined in 5 *CCR* Section 11963.4(a)(3):

* Spend at least 40 percent of the charter school’s public revenues on salaries and benefits for all employees who possess a valid teaching certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold issued by the Commission on Teacher Credentialing and who work in the charter school in a position required to provide direct instruction or direct instructional support to students
* Spend at least 80 percent of the charter school’s total revenues on instruction and related services
* Maintain a ratio of average daily attendance (ADA) for independent study pupils to full-time certificated employees responsible for independent study that does not exceed a pupil-teacher ratio (PTR) of 25:1 or the PTR of the largest unified school district in the county or counties in which the charter school operates

The expenditure and PTR criteria for all funding levels for which a charter school may qualify to receive for its NCB instruction are specified in 5 *CCR* Section 11963.4(a). A summary of the criteria is provided in the table below:

*Nonclassroom-Based Instruction Funding Levels*

| **Funding Level** | **Percentage Spent on Certificated Salaries and Benefits** | **Percentage Spent on Instruction and Related Services** | **PTR[[1]](#footnote-1)** |
| --- | --- | --- | --- |
| **100%** | ≥ 40 | ≥ 80 | ≤ 25 to 1 |
| **85%** | ≥ 40 | ≥ 70 | Not Applicable |
| **70%** | ≥ 35 | ≥ 60 | Not Applicable |
| **0%** | < 35 | < 60 | Not Applicable |

### Funding Periods

A determination of funding may not exceed five years, pursuant to *EC* Section 47612.5(d)(2). For a new charter school in its first year of operation, a funding determination shall be for a period of two fiscal years, pursuant to 5 *CCR* Section 11963.6(a). For an existing charter school with an active funding determination, a funding determination shall be in increments of a minimum of two years and a maximum of five years in length, pursuant to 5 *CCR* Section 11963.6(c).

Regarding five-year funding periods, *EC* Section 47612.5(d)(2) provides the following:

A charter school that has achieved a rank of six or greater on the Academic Performance Index for the two years immediately prior to receiving a funding determination…shall receive a five-year determination.

Based on the CDE’s interpretation of statute and regulations, the CDE recommends a funding period between two to four years for an existing charter school with an active funding determination. Because the Academic Performance Index is no longer calculated, the CDE does not recommend five-year funding determination periods.

The CDE’s recommended funding period for an existing charter school with an active funding determination is dependent upon factors such as the number of times the school has obtained a funding determination from the SBE, and the information provided by the school as a part of its determination of funding request. The CDE typically recommends a funding period of three years for a charter school that is obtaining a funding determination with the SBE for the second time and a funding period of four years for subsequent times.

## Review of Funding Determination Requests

Based on reported fiscal year 2023–24 data, all charter schools presented in this item meet the regulatory requirements to qualify for their requested level of funding for their NCB instruction. Additionally, all charter schools presented in this item have had a funding determination approved by the SBE two or more times.

Therefore, the CDE proposes to recommend that the SBE approve the determination of funding requests from the 27 charter schools at the levels of funding and for the time periods provided in Attachment 1.

If a charter school’s determination of funding request is approved, the charter school will be eligible to receive funding for its ADA generated through NCB instruction as approved by the SBE, pursuant to *EC* Section 47634.2(c).

## Attachments

* **Attachment 1:** Proposed Recommendations for Nonclassroom-Based Determination of Funding Requests (1 Page)
* **Attachment 2:** Determination of Funding Request from Castle Rock (Charter #0358) (12 Pages)
* **Attachment 3:** Determination of Funding Request from Community Montessori (Charter #1947) (17 Pages)
* **Attachment 4:** Determination of Funding Request from Connecting Waters Charter - East Bay (Charter #1881) (15 Pages)
* **Attachment 5:** Determination of Funding Request from Crossroads Charter Academy (Charter #0571) (13 Pages)
* **Attachment 6:** Determination of Funding Request from Excel Academy Charter (Charter #2073) (15 Pages)
* **Attachment 7:** Determination of Funding Request from Family Partnership Charter (Charter #0763) (15 Pages)
* **Attachment 8:** Determination of Funding Request from Folsom Cordova K-8 Community Charter (Charter #0650) (12 Pages)
* **Attachment 9:** Determination of Funding Request from Hanford Online Charter (Charter #1997) (12 Pages)
* **Attachment 10:** Determination of Funding Request from Heartwood Charter (Charter #2071) (14 Pages)
* **Attachment 11:** Determination of Funding Request from Kings Canyon Online (Charter #1074) (13 Pages)
* **Attachment 12:** Determination of Funding Request from Motivated Youth Academy (Charter #1628) (13 Pages)
* **Attachment 13:** Determination of Funding Request from Oakdale Charter (Charter #0103) (12 Pages)
* **Attachment 14:** Determination of Funding Request from Olive Grove Charter - Buellton (Charter #2013) (12 Pages)
* **Attachment 15:** Determination of Funding Request from Pathways Academy Charter School - Adult Education (Charter #2052) (13 Pages)
* **Attachment 16:** Determination of Funding Request from Pathways Charter Academy (Charter #2089) (12 Pages)
* **Attachment 17:** Determination of Funding Request from Peak Prep Pleasant Valley (Charter #2062) (15 Pages)
* **Attachment 18:** Determination of Funding Request from Pivot Charter School - San Diego II (Charter #1983) (13 Pages)
* **Attachment 19:** Determination of Funding Request from Pivot Charter School North Valley II (Charter #1982) (13 Pages)
* **Attachment 20:** Determination of Funding Request from Shasta View Academy (Charter #2065) (13 Pages)
* **Attachment 21:** Determination of Funding Request from Sky Mountain Charter (Charter #0905) (12 Pages)
* **Attachment 22:** Additional Attachment from Sky Mountain Charter (Charter #0905) (1 Page)
* **Attachment 23:** Determination of Funding Request from South Bay Charter (Charter #1303) (12 Pages)
* **Attachment 24:** Determination of Funding Request from South Sutter Charter (Charter #0724) (12 Pages)
* **Attachment 25:** Additional Attachment from South Sutter Charter (Charter #0724) (1 Page)
* **Attachment 26:** Determination of Funding Request from Southern California Flex Academy (Charter #1975) (16 Pages)
* **Attachment 27:** Determination of Funding Request from Taylion High Desert Academy/Adelanto (Charter #1520) (16 Pages)
* **Attachment 28:** Determination of Funding Request from Tracy Independent Study Charter (Charter #2090) (13 Pages)
* **Attachment 29:** Determination of Funding Request from Trillium Charter (Charter #0891) (12 Pages)
* **Attachment 30:** Determination of Funding Request from Valley Oak Charter (Charter #0501) (12 Pages)
1. The PTR criteria outlined in this table pertain only to charter schools submitting funding determination requests for their NCB instruction. All charter schools offering independent study are required to comply with the ADA to certificated-employee ratios outlined in *EC* Section 51745.6. [↑](#footnote-ref-1)