

STAFF ANALYSIS AND PROPOSED FINDINGS OF FACT REGARDING REVIEW OF SAVANT PREPARATORY ACADEMY OF BUSINESS CHARTER SCHOOL RENEWAL PETITION

February 15, 2021

Savant Preparatory Academy of Business Charter School (Savant Prep or Savant) seeks approval to renew its San Bernardino City Unified School District independent, direct funded, charter school currently serving students in grades TK-5. Savant Prep was initially approved on March 20, 2018, for a three year term and opened in August 2018. Its current term ends on June 30, 2021. Savant Prep has requested renewal for a term of five years from July 2021 through June 2026. Savant Prep, located within the San Bernardino City Unified School District boundaries, currently serves approximately 168 students.

PROCEDURAL STATUS

The Charter School Operations Department of the San Bernardino City Unified School District (District or SBCUSD) received a renewal charter Petition (Petition or Charter) from Savant on December 9, 2020. Academic performance criteria and potential length of a charter renewal are determined in accordance with Education Codes 47607 and 47607.2, based on “high,” “middle,” and “low” performance levels for charter schools. Per the California Department of Education’s (CDE) list of Charter School Performance Categories determined in accordance with Education Code Sections 47607(c) and 47607.2(a) and (b), Savant Prep is in the middle performing category. Therefore, any renewal of Savant’s charter would be for a five-year renewal term (see further analysis below). If the charter is renewed by the SBCUSD Board of Education (District Board), the new Charter term would begin on July 1, 2021, and run through and including June 30, 2026. Renewals and material revisions are governed by the standards and criteria set forth in Education Code Section 47605, 47607, and 47607.2.

On February 2, 2021, the District Board held a public hearing on the Savant Renewal Petition in accordance with the requirement to do so within 60 days of receipt of the renewal charter petition.

Per Education Code Sections 47605, 47607 and 47607.2, the District Board has 90 days from receipt of the renewal petition to act, which may be extended by an additional 30 days by mutual agreement. The District Board will take action on the Renewal Petition on March 2, 2021.

SBCUSD and Savant expect to develop a Memorandum of Understanding (MOU), which will govern the respective fiscal, operational, and administrative responsibilities, legal relationships, and other matters requiring clarification or not otherwise addressed or resolved by the terms of the Charter, pending any further direction or recommendations by the District Board, including the District Board’s adoption of the findings and recommendations set forth herein.

On February 12, 2021, Savant submitted a revised Charter. The complete renewal Charter Petition that the District Board is acting on will be attached to the agenda of the March 2, 2021 District Board meeting.

CRITERIA FOR RENEWAL OF A CHARTER PETITION

A petition submitted for renewal pursuant to Education Code Sections 47607 and 47607.2 shall be considered by the governing board in accordance with the following standards:

(1) Standards and Criteria in Education Code Section 47605

A renewal charter shall be governed by the standards and criteria described in Education Code Section 47605. Education Code Section 47605(c) establishes that governing boards are to be aware of “the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that the establishment of charter schools should be encouraged. The [District Board of Education] shall grant a [renewal] charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice and with the interests of the community in which the school is proposed to locate,” though, as described below, the renewal process does include additional considerations and standards.

Education Code Section 47605 specifies that the District Board of Education may deny a renewal petition only if it makes written factual findings to support one or more of the following findings:

1. The charter school presents an unsound educational program for the pupils to be enrolled in the charter school
2. The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition
3. The petition does not contain an affirmation of each of the conditions required by statute
4. The petition does not contain a reasonably comprehensive description of all of the required elements
5. The petition does not contain a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of the Educational Employment Relations Act (EERA)

(2) Determination of High, Middle, or Low Performing School Status

Education Code Sections 47607 and 47607.2, require a determination of whether a charter school seeking renewal is in the High, Middle, or Low Performance category based on academic performance results:

- a. *High Performing: The renewal term may be 5-7 years, based on authorizer’s discretion, if either of the following criteria has been met in the two years preceding renewal:*
 - (A) *The schoolwide student group is in the two highest performance bands for all indicators on the California Dashboard for the preceding two years prior to renewal, OR*
 - (B) *The schoolwide student group and a majority of the school’s student groups perform the same or higher than the State average in all academic indicators on the California Dashboard for the preceding two years prior to renewal.*
- b. *Low Performing: A school will not be renewed if either of the following criteria has been met in the two years preceding renewal:*

- (A) *The schoolwide student group is in the two lowest performance bands for all indicators on the California Dashboard for the preceding two years prior to renewal, OR*
- (B) *The schoolwide student group and a majority of the school's student groups perform at the same level or lower than the State average in all academic indicators on the California Dashboard for the preceding two years prior to renewal.*

However, the authorizer may make an exception and renew a low performing school for two years if it makes both of the following written factual findings:

- (A) *The charter school is taking meaningful steps to address the underlying cause or causes of low performance reflected, or will be reflected, in a written plan adopted by the charter school's governing board, AND*
- (B) *There is clear and convincing evidence that the charter school has either achieved measurable increases in academic achievement, as defined by at least one year's progress for each year in school, or the charter school has demonstrated strong postsecondary outcomes.*

c. *Middle Performing: Any school that is not deemed high or low performing is eligible to be considered for a 5-year renewal term. To be considered for renewal, the authorizer is to consider:*

- (A) *Performance on the state and local indicators on the Dashboard, giving greater weight to measurements of academic performance*
- (B) *Clear and convincing evidence based on verified data showing either:
The school achieved measurable increases in academic achievement, defined by at least one year of growth for each year of school, OR
Strong post-secondary outcomes, as defined by college enrollment, persistence, and completion rates equal to similar peers.*

The authorizer may deny a middle performing school on these bases only by making written factual findings that the school:

- (A) *Failed to meet or make sufficient progress toward meeting standards that provide a benefit to the pupils of the school;*
- (B) *Closure of the school is in the best interest of pupils; AND*
- (C) *If applicable, that the decision provided greater weight to performance on measurements of academic performance.*

State Level Data Availability

In accordance with the recent standards established by AB 1505 in Education Code Section 47607 and 47607.2, the CDE created a list of all charter schools and ranked their academic performance indicators from the California Dashboard, specifying whether each school is in the high, middle, or low performance level, or is a Dashboard Alternative School Status (DASS) program. This list was intended to relieve the burden on authorizers and provide a starting point for Savant for the renewal process. Due to the COVID-19 pandemic, all statewide testing for the 2019-20 school year was cancelled and the 2020 California Dashboard based on that data was also cancelled. Thus, the data used to create the list is

from the 2018 and 2019 California Dashboard, as provided for in Education Code Sections 47607 and 47607.2.

(3) A Renewal Charter Petition

The renewal petition shall include a reasonably comprehensive description of any new requirements of charter schools enacted into law after the charter was originally granted or last renewed (Education Code Section 47607(b)). The charter should also be updated as necessary to reflect the current program offered by the charter school.

(4) Additional Criteria for Denying a Charter Renewal

A chartering authority may deny renewal of a charter school (EC Section 47607(e)), in any of the three performance categories if it finds that the school is unlikely to successfully implement the program due to:

- a. *Substantial fiscal factors,*
- b. *Substantial governance factors, or*
- c. *The charter school is **not serving all pupils** who wish to attend.*

Determination Criteria for Renewal of Savant Prep

In its Charter, Savant states that it meets the minimum academic performance standards and that its academic performance supports Charter renewal. Pursuant to the amendments made to Education Code Section 47607, and the creation of Education Code Section 47607.2, by Assembly Bill 1505 (2019), a chartering authority shall evaluate a charter school’s eligibility according to the standard associated with its performance on the state and local indicators reported on the California School Dashboard (“Dashboard”).

High Performing, Middle Performing, or Low Performing per the California Department of Education

In July 2020, the California Department of Education determined that based on available data for the last two years, that Savant Prep is a “middle tier” school for renewal purposes¹, and subject to the renewal standard articulated in Education Code Section 47607.2(b).

Section 47607.2(b) provides that:

- (1) ... [T]he chartering authority shall consider the schoolwide performance and performance of all subgroups of pupils served by the charter school on the state indicators included in the [Dashboard] and the performance of the charter school on the local indicators included in the [Dashboard].
- (2) The chartering authority shall provide greater weight to performance on measurements of academic performance in determining whether to grant a charter renewal.

¹ See <https://www.cde.ca.gov/sp/ch/documents/ab1505results2020.xlsx> at row 790.

(3) In addition to the state and local indicators, the chartering authority shall consider clear and convincing evidence showing . . . of the following:

(A) The school achieved measurable increases in academic achievement, as defined by at least one year’s progress for each year in school. . . .

(4) Subparagraphs (A) and (B) of paragraph (3) shall be demonstrated by verified data, as defined in subdivision (c).

Renewal of a middle tier school may only be denied to the extent a chartering authority “mak[es] written findings, setting forth specific facts to support the findings, that the charter school has failed to meet or make sufficient progress toward meeting standards that provide a benefit to the pupils of the school, that closure of the charter school is in the best interest of pupils.” Section 47607.2(b)(6).

As a charter school that launched in the 2018-19 school year, Savant Prep does not have performance levels reported on the Dashboard for that year, and due to the COVID-19 pandemic, there is no Dashboard at all for the 2019-20 school year. Savant Prep reports the following datapoints from 2018-19 for its suspension rate and chronic absenteeism rate (Dashboard metrics), which are favorable as compared to the District and the State, and indicate that Savant Prep is performing well in these areas.

	Savant Prep	District	State
Suspension Rate	0%	5.4%	3.5%
Chronic Absenteeism Rate	7.6%	18.3%	12.1%

Savant Prep also met the standard on all local indicators on the 2018-19 Dashboard:

Basics: Teachers, Instructional Materials, Facilities	Standard Met
Parent and Family Engagement	Standard Met
Local Climate Survey	Standard Met
Access to a Broad Course of Study	Standard Met
Implementation of Academic Standards	Standard Met

Further, because Savant Prep launched with grades TK-2 in the 2018-19 school year, it had no students eligible to take the California Assessment of Student Performance and Progress (“CAASPP”) assessment, and no CAASPP assessment was administered in the 2019-20 school year; thus, Savant Prep is unable to address CAASPP performance in its renewal petition. However, as provided by the Renewal Standard, a chartering authority “shall consider” “verified data” of a charter school’s academic progress. Verified data is defined as assessments of academic performance as identified on “an approved list of valid and reliable assessments” set by the State Board of Education (“SBE”). Savant Prep presented evidence of its students’ academic performance as measured on the Northwest Evaluation Association (“NWEA”) Measures of Academic Progress (“MAP”), an assessment classified as verified data by the SBE. Staff has not reproduced all of the data provided by Savant in this Staff Analysis and Proposed Findings of Fact, but incorporates it herein by this reference.

Unfortunately, there is no 2019-20 statewide academic data due to COVID-19, and SBCUSD staff considered the available data and evidence from 2018-19 and 2019-2020 to determine whether growth has been made. During site visits, observation data showed strong school leadership and classroom instruction. This observational data is consistent with the internal academic data shared by Savant. Therefore, when

taken as a whole, Savant has shown that students are able to make at least one year’s progress for every year they are at Savant. Thus, giving greater weight to academic achievement measures for all groups of pupils and considering increases in academic achievement, Savant’s achievement data supports renewal because the performance indicates that Savant has made progress that provides a benefit to its pupils and closure is not in the best interest of pupils. As discussed in more detail below, Savant’s past fiscal and operational performance also supports renewal.

Finances

Savant exhibits a healthy financial position. Savant and the Savant Board of Directors have shown strong fiscal oversight. There were no identified deficiencies, or material weaknesses noted regarding internal controls over financial statements and internal control over compliance for fiscal year 2019-2020. All fiscal reports as required by law were submitted to SBCUSD on a timely basis. Savant maintains and implements sound fiscal policies and procedures, including, but not limited to, internal controls governing all financial and business-related activities.

Savant reported an Average Daily Attendance (ADA) (P2) of 159.49 for Fiscal Year (FY) 2020-2021. Savant projects an increase in enrollment for FY 2021-22 with an ADA of 218.50. Savant has projected ADA between 95%-96%. The District Fiscal Staff (Fiscal Staff) is not aware of any significant financial concerns for Savant. It appears Savant projects a healthy financial outlook for fiscal year 2021-22.

Table 1: Fiscal Historical Revenue/Expenditure Data for Savant

	2017-18	2018-19	2019-20
A. Beginning balance	NA	\$4,365	(\$24,413)
B. Revenues	NA	\$1,009,881	\$1,907,325
C. Expenditures	NA	\$1,038,659	\$1,527,141
D. Surplus/Deficit (B-C)	NA	(\$28,778)	\$380,184
E. Ending balance (A+D)	NA	(\$24,413)	\$355,771

REVIEW OF THE CHARTER PETITION

SBCUSD Staff reviewed the renewal Petition using the criteria established in California Education Codes 47605(c), 47607, and 47607.2, and District Board Policy 0420.4 (c) and made the following findings:

1. Sound Education Program

Savant Prep’s mission is to provide an enriched and innovative educational experience that is rooted in financial literacy and entrepreneurship. Savant aims to balance both experiential and academic learning in order to prepare children for the demands of the 21st century, equip students – referred to at Savant as scholars – with skills necessary to compete globally, ensure that scholars are career, college, and business ready, and develop a growth mindset to encourage leadership and management capabilities. Savant fosters family choice and offers students and families with educational options for an exemplary education.

Special Education:

Savant is currently a member of the SBCUSD SELPA for the purposes of compliance with the Individuals with Disabilities Education Improvement Act (IDEIA). The District and Savant will

enter into a pass through MOU as of July 1, 2021. Savant has provided information in the Charter to describe the manner in which it will recruit and retain special education students. Savant also acknowledges its obligation to comply with the terms of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973.

The Charter School Operations Staff concluded the Savant revised renewal Petition and agreement to the “Pass Through” MOU provides sufficient information to substantiate the required elements for a sound educational program.

2. Ability to successfully implement the program set forth in the Petition

The Charter School Operations Staff found facts that demonstrate the Petitioners are likely to successfully implement the program if Savant and the District execute the “Pass Through” MOU.

3. Affirmation of each of the conditions required by statute

The Charter School Department Staff found that the Petition contains all of the required affirmations other than an explicit statement that Savant shall provide notice of the requirements of Education Code Section 47605(d) in the form developed by the California Department of Education, which notice shall be posted on Savant’s internet website and Savant shall provide a parent or guardian a copy of this notice at all of the following times:

- (i) When a parent, guardian, or pupil inquiries about enrollment.
- (ii) Before conducting an enrollment lottery.
- (iii) Before disenrollment of a pupil.

Savant has agreed to provide this documentation to parents and post it on its website.

4. Reasonably comprehensive description of the required elements

In order for the description of each element to be considered “reasonably comprehensive,” it is not enough that the renewal Petition include a description, but rather the description should be acceptable to SBCUSD and consistent with and not contrary to SBCUSD’s standards and expectations for charter schools under its oversight. SBCUSD Staff’s indication that the description of an element is “reasonably comprehensive” should not be interpreted to mean that SBCUSD Staff does not believe that additional or different terms relating to that element would need to be agreed to by the Petitioner through the MOU process. Further, while SBCUSD Staff may make recommendations for remediation in an area, or specify that particular issues or terms have been or will need to be clarified or resolved through the MOU or specify that particular issues or terms have been or will need to be clarified or resolved through the MOU, this does not mean that other areas may not need additional correction to be included in the MOU. Further, Staff’s determination that an element is reasonably comprehensive may be premised on noted issues being remediated through the MOU process.

The Charter School Operations Department Staff found the Petition provides a sufficiently comprehensive description of the required elements for approval, though, as indicated in the Charter and in this Staff Analysis, additional specificity and requirements governing Savant’s

operations, including its compliance with the required charter elements, will need to be included in the MOU among Savant Prep, its governing entity and the SBCUSD.

A. Element One: Description of the Educational Program/Plan for Student Academic Achievement

SBCUSD Staff concluded that Savant provided sufficient information in the renewal Petition to substantiate the required elements for a sound educational program. However, implementation of all the elements in the Petition, need additional support, implementation, and practice.

The Charter School Operations Staff believes this section of the Charter includes a reasonably comprehensive description only if means of addressing the District's concerns are provided for in the MOU and successfully implemented by Savant Prep.

B. Element Two: Measurable Student Outcomes

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

C. Element Three: Method by Which Pupil Progress in Meeting Outcomes will be Measured

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

D. Element Four: Governance Structure

The Charter states that the Board will consist of at least three members and should not exceed five members. Currently, Savant Prep has a five member governing board with clearly defined roles and responsibilities. The Charter states the Board will comply with all federal, state and local laws that are applicable to independent public charter schools and has adopted a Conflicts of Interest Code. At least one director position is reserved for the parent of a student attending Savant, and Savant acknowledges the District Board's entitlement to a representative on the Savant Charter School Board should it so desire. The Charter specifies that Savant shall comply with the Brown Act, the Political Reform Act of 1974, Government Code Section 1090 et seq., and no interested person (as defined in the corporate bylaws) is permitted to serve on Savant's Board of Directors. Board meetings are held monthly.

Savant requested approval of a material revision to approve revisions to the corporate bylaws. The revisions to the bylaws are consistent with the changes to the Charter Schools Act and Savant should be permitted to make the changes.

The Charter School Operations Department Staff believes this section includes a reasonably comprehensive description.

E. Element Five: Employee Qualifications

For all administrative, instructional, instructional support, and non-instructional support capacities, Savant recruits personnel who believe in the instructional philosophy outlined in its vision statement. In accordance with Education Code 47605(b)(5)(e), Savant shall be nonsectarian in its employment practices and all other operations. Savant shall not discriminate against any individual (employee or student) on the basis of the characteristics listed in Education Code Section 220 (actual or perceived disability, gender, gender identity, gender expression, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code, including immigration status, or association with an individual who has any of the aforementioned characteristics).

According to the Charter, all employees will demonstrate a belief in the mission, program design, instructional philosophy, and curriculum documented in the Charter. All employees are subject to background checks, including passing FBI and DOJ requirements. All employees of the school will be employees of Savant Prep.

Savant continues to ensure that its teaching staff fulfills all the legal requirements for them to perform as teachers.

F. Element Six: Health and Safety

Savant provided a detailed description of all Health and Safety Policies, and addressed fingerprinting and background checks for all employees and volunteers. All staff are expected to comply with Ed. Code 47605(b)(5)(f) and legal requirements. Savant has committed to providing a safe, compliant working environment and to updating and adopting a legally compliant school safety plan by March 1 of each year. The plan for 2020 was completed, and in April 2020, Savant also revised it to include pandemic responses. Savant should commit to at least annual review and update, as appropriate, of its health and safety policies in consultation with its insurance carrier and risk management team.

Savant has also provided and complied with additional health and safety measures regarding Public Health orders on COVID-19.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

G. Element Seven: Racial, Ethnic, English Learner, and Special Education Balance

On July 1, 2020, most requirements of AB 1505 took effect. Element G was updated to require that schools provide a reasonably comprehensive description of how the school will achieve a balance of racial and ethnic pupils, special education pupils, and English learner pupils, including redesignated fluent English proficient pupils, that is reflective of the general population residing within the territorial jurisdiction of the District.

Table 2: Demographic Comparison of SBCUSD and Savant Prep for 2019-20

2019-20	Hispanic or Latino	Asian	Filipino	White	African American	Two or More
Savant	5.5	0	0	1.4	91	2.1

SBCUSD	79	1.4	0.4	4.9	10	1.5
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Table 3: Student Group Comparison Data for 2019-20

	SED%	EL%	SWD%
Savant	85.5	0.7	0
SBCUSD	90	21.5	12.4

Data gathered from Dataquest: data1.cde.ca.gov/dataquest

Savant strives through recruitment and admissions practices, to achieve a racial and ethnic balance among its students that is reflective of the general population residing within the territorial jurisdiction of the District and has updated its description of this charter element to also address increasing efforts to create a balance of students with special needs and English Learner pupils reflective of the population of the District. Savant’s strategy includes, but is not necessarily limited to:

- SPAB will reach out to parent groups centered on students of disabilities online, including through social media groups, and welcome them to Savant Prep’s campus.
- An enrollment process with a timeline that allows for a broad-based recruiting and application process.
- The development and distribution of promotional and informational material that appeals to all of the various racial and ethnic groups represented in the San Bernardino City Unified School District, including materials in languages other than English to appeal to English Learner populations, and additional materials to recruit students with disabilities.
- The distribution of promotional and informational materials to a broad variety of community groups and agencies.
- Outreach meetings, reaching prospective students and parents. Savant Prep keeps a record of the number and location of these community presentations.
- Use of brochures, newsletter, TV/radio public service announcements, print and non-print media for outreach communications.
- Collaboration with community-based organizations to support outreach efforts.

The District staff notes that Savant’s student demographics include a higher percentage of African-American students and a lower percentage of other demographic groups represented in the general population residing within the District’s jurisdiction. This element of the Charter does reflect the District’s desire to provide opportunities for the targeted demographic population to have access to choice programs. Savant’s Petition includes an outreach plan and focuses on a variety of groups.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description in accordance with Education Code Section 47605(c)(5)(G).

H. Element Eight: Admissions Policies and Procedures

Savant has articulated student admission policies and procedures. The school is nonsectarian, tuition free, and does not discriminate against any pupil on the basis of protected characteristics.

Admission to the school is not determined by place of residence of pupil, or parent, except in the case of public random drawing. Savant has updated its admissions lottery procedures consistent with the updates to Education Code section 47605(c)(5)(H) and (d) of the Charter Schools Act.

In the event of a public random drawing, Savant specifies its intent to implement the following preferences (with the exception of existing students) in the following order:

1. Siblings of students admitted to or attending the Charter School: to keep families together.
2. Children of SPAB employees and Board members, and Founding Families as defined in the initial charter petition for the Charter School (not to exceed 10% of the total enrollment): to honor those committed to public education and for the convenience of employees.
3. Other prospective students residing within SBCUSD boundaries: provided as required by Education Code section 47605(e)(2)(B) and to serve as a public school option for students and families of San Bernardino
4. All other applicants

Other than the preference for residents of the SBCUSD, whether to permit the proposed preferences is within the discretion of the District Board.

Admission to the school is not determined by place of residence of pupil, or parent, except in the case of public random drawing. The process for the random drawing is included in the Charter Renewal Petition.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

I. Element Nine: Financial Audit

Savant states in the Petition that the audit will be conducted in accordance with Education Code Sections 47605(c)(5)(I) and 47605(m), generally accepted accounting procedures, and with applicable provisions within the California Code of Regulations governing audits of charter schools as published in the State Controller’s K-12 Audit Guide. The Petition states Savant’s financial audit procedure, which includes how the independent auditor will be selected and retained, the qualifications the independent auditor needs to possess, the timing of the audit, how any deficiencies will be resolved, and how this will be communicated to the necessary outside parties.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

J. Element Ten: Student Suspension/Expulsion Procedures

Savant’s Charter sets forth its comprehensive suspension and expulsion policies and procedures which have been updated to reflect current law.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

K. Element Eleven: Employee Retirement System

Savant Prep’s Charter states all full-time employees of Savant will participate in a qualified retirement plan. All eligible employees participate in the State Teachers’ Retirement System (“STRS”), and all other employees will participate in the federal social security system and/or a 403(b) defined contribution plan and an employee payroll deferral plan as applicable to their position. Savant employees may have access to additional Savant-sponsored retirement plans according to policies developed by the board of directors and adopted as Savant employee policies.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

L. Element Twelve: Public School Attendance Alternatives

The Charter specifies that no student may be required to attend Savant. Students who reside within SBCUSD who choose not to attend Savant may attend other district schools or pursue an intra- or inter-district transfer in accordance with existing district enrollment and transfer policies. Parents and guardians of each student enrolled in Savant will be informed on admissions forms that the students have no right to admission to a particular school of any local education agency as a consequence of enrollment in the Charter School, except to the extent that such a right is extended by the local education agency.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

M. Element Thirteen: Description of the Rights of An Employee of the District, Upon Leaving the Employment of the District, to be Employed by the Charter School

The Charter specifies that employees of the District who choose to leave the employment of the District to work at the Charter School, and any rights of return to the District’s employment after employment at the Charter School.

Overall the discussion in this element is complete, and provides that such employees have no automatic rights of return and only such rights as the District may choose to provide, and that employment at Savant does not provide any rights of employment at any other entity, including in the case of closure of Savant.

N. Element Fourteen: Dispute Resolution

Savant includes the dispute resolution process between Savant and SBCUSD which is satisfactory to the District.

The Charter School Operations Department Staff believes this section includes a reasonably comprehensive description.

O. Element Fifteen: Closure Protocol

Savant outlines an adequate process to be used if the charter school closes. Once documented as official action by the Savant Board, there is a process addressing notification of all entities, and to ensure smooth transition of students/records to suitable alternative programs. Savant will provide a Final Audit and plans for disposition of assets and liabilities and transfer of public records. On closure the school shall remain solely responsible for all liabilities arising from the operation of the school. As a non-profit public benefit corporation, the school board will follow the California Corporation Code for the dissolution and file all necessary filings with appropriate state and federal agencies.

The Charter School Operations Staff believes this section includes a reasonably comprehensive description.

Required Supplemental Information

SBCUSD Staff reviewed Savant’s Petition, which includes the Budget Narrative and Budget (Fiscal Years (FY) 2020-21 through 2023-24 as requested). SBCUSD Staff has also reviewed additional information from documents and interviews to provide clarification on Savant’s financial position. This included meeting with the Savant Staff and Board as well as conducting annual visits and reviewing Financial Audits, monthly financial statements, mandatory financial reports, and the Fiscal Crisis Management Assessment Team (FCMAT) Local Control Funding Formula (LCFF) Calculator which was recreated by SBCUSD Staff to recalculate the LCFF Revenue sources reported on the Petition.

Enrollment and Average Daily Attendance (ADA)

Savant’s projected budget for FY 2020-21 through 2023-24 anticipates an increase in enrollment from (167 per 1st Interim) students in FY 2020-21 to 230 students in FY 2021-22.

Table 4: Savant Historical and Projected Enrollment/ADA Data

	Historical Data			Enrollment/ADA Projections			
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Actual Enrollment	NA	57	144				
Projected Enrollment				167	230	280	305
ADA*	NA	70.68	134.07	159.49	218.50	266.00	289.75
ADA%		124.0%	93.1%	95.5%	95.0%	95.0%	95.0%

**Historical ADA data based on P-Annual*

Savant presents reasonable revenue and expenditure projections addressing major anticipated sources of revenue including state, federal and local for FYs 2020-21 through 2023-24. Expenses include staffing, benefits, professional development, facility costs, materials, equipment and other

operating expenses. Savant is conservative in its revenue and expense projections. Spending plans align with projected revenues. Staffing financial projections appear to be reasonable. The projected expenditure costs seem to be accurately stated and Savant demonstrates satisfactory ability to meet its financial obligations.

Fiscal Staff is not aware of any significant financial concerns for Savant.

Revenues and Expenses

Table 2: Savant Revenue and Expense Projections

Revenue and Expense Projections				
	2020-21	2021-22	2022-23	2023-24
A. Beginning balance	\$355,772	\$726,580	\$986,887	\$1,374,574
B. Revenues	\$2,051,904	\$2,514,804	\$3,030,826	\$3,284,985
C. Expenses	\$1,681,097	\$2,254,497	\$2,643,138	\$2,900,735
D. Surplus/Deficit (B-C)	\$370,807	\$260,307	\$387,688	\$384,250
E. Ending balance (A+D)	\$726,580	\$986,887	\$1,374,574	\$1,758,824
F. *Non-Cash Accounting Deferred Lease Adj	0	0	0	0
G. Operating Ending balance (E+F)	\$726,580	\$986,887	\$1,374,574	\$1,758,824

Savant presents reasonable revenue and expenditure projections addressing major anticipated sources of revenue including state, federal and local for FYs 2020-21 through 2023-24. Expenses include staffing, benefits, professional development, facility costs, materials, equipment and other operating expenses. Savant is conservative in its revenue and expense projections. Spending plans align with projected revenues. Staffing financial projections appear to be reasonable. The projected expenditure costs seem to be accurately stated and Savant demonstrates satisfactory ability to meet its financial obligations.

Fiscal Staff is not aware of any significant financial concerns for Savant.

Cash Flow

Savant’s cash flow closely aligns with all financial documents, including bank statements and reconciliation reports. In the event there is an unforeseen financial crisis, Savant’s reserves should adequately suffice during an emergency.

Savant’s petition provides reasonable cash flow projections and assumptions pertaining to cash flow timings for major revenue sources required for financial solvency and sustainability. Multi Year cash flow projections show that Savant will be positive. As of June 30, 2019, Savant had an audited cash balance of \$5,572. In the event there is an unforeseen financial crisis, Savant reserves should adequately suffice unfavorable budget variances.

Potential Civil Liability Effects on the School and County Office

Savant is in compliance with its current MOU, including the insurance and indemnification, defense, and hold harmless provisions. There is no reason to believe that Savant will not continue

to abide by SBCUSD's requirements and the MOU. There are currently no pending litigation or other liability concerns with Savant.

5. Exclusive Public Employer

As required by the Charter Schools Act, the Charter specifies that Savant shall be deemed the exclusive public employer of the employees of the Charter School for the purposes of Educational Employment Relations Act ("EERA").

6. Requirements for Grade-Levels Served, Facility Location, and Students Served

Savant currently serves grades Tk-5. Savant is located at Del Vallejo Leadership & Steam Academy.

The Charter School Operations Staff found that the Petitioners are able to meet the requirements for the grade levels served, facility location and students served.

7. Any Other Criteria Set Forth in the Statute

Since Savant's Charter was last renewed, a number of new laws have gone into effect, including AB 1505, AB 1507, AB 1219, SB 126, SB 820 and SB 89, which enact broad changes to the Charter Schools Act. Savant will need to comply with the changes to the law. The Charter, along with the terms of MOU as described above, indicate that Savant will so comply.

CONCLUSION

The Charter School Operations Staff reviewed the renewal Petition for Savant utilizing the criteria for charter approval set forth in Education Code Sections 47605, 47607 and 47607.2.

It is the recommendation of the Charter School Operations Staff that the Savant Charter be renewed on the conditions that Savant Prep enter into an MOU to address Staff's concerns, including those specifically reviewed in the Staff Analysis and Proposed Findings of Fact, and the other conditions specified in the proposed Board Resolution, as well as any additional conditions identified by the District Board, and adopt the Board Resolution Approving the Charter Renewal for Savant Preparatory Academy of Business for the period of July 1, 2021, through June 30, 2026.

Student Impact

The Charter School Operations office provides oversight and monitoring for the San Bernardino District Board of Education authorized charter schools. Savant was authorized in 2018 and currently serves approximately 168 students.