



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 11.1

Meeting Date: October 3, 2019

Subject: **Approve Resolution No. 3105: Resolution to Accept the Surrendered Charter of NorCal Trade and Tech Charter School**

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Division: Innovative Schools and Charter School Oversight

Recommendation: Approve Resolution No. 3105.

Background/Rationale: On August 1, 2019, at the meeting of the Sacramento City Unified School District Board of Education (“Board”), the issuance of the Notice of Violations to NorCal Trade and Tech (NTT) was approved. The Notice of Violations was issued, because over the past year, NTT operated in violation of its charter, engaged in fiscal mismanagement, and breached compliance with law. The school was allowed to remedy the violations on or before September 1, 2019.

Shortly after the Board approved the issuance of the Notice of Violations, on August 17, 2019, the Board of NTT met and unanimously approved "...the surrender of the charter listed as Success Skills Inc. NorCal Trade & Tech, to Sacramento City Unified School District."

As a result of the action taken by NTT's Board, legal counsel does not believe the Sacramento City Unified School District (“District”) needs to proceed with the Revocation process. The appropriate next step is to bring a resolution to the Board to accept the surrender of NTT's charter and to articulate NTT's obligations to close its doors.

NTT operated for one year and according to the most recent data available in the California Longitudinal Pupil Achievement Data System (CALPADS), in the fall of 2018-19, forty-eight adult students were enrolled. Per the resolution, we expect to receive a

master list of all of the students. The list will include the name of the school the student has transferred to (if known).

Financial Considerations: There will be legal costs associated with the closure of the school, which is estimated to be about four billable hours at two-hundred, seventy-five, and zero cents per hour for a sum of one-thousand, one-hundred dollars, and zero cents. The number of hours of legal consultation required for a school closure done voluntarily is typically significantly less than what is necessary to process a Revocation of a Charter.

The closure of the charter will be monitored to assure that NTT fulfills its liabilities to minimize the risk of becoming a financial liability of the District.

LCAP Goal(s): GOAL 4 - Operational Excellence: SCUSD will be a service-focused organization, committed to serving students, families, staff and community efficiently and effectively. The actions outlined in Goal 4 include continued implementation of a robust data collection and reporting process so that impact on student achievement and district operations may be measured, and further development of standards and protocols for customer service districtwide.

Documents Attached:

1. Executive Summary
2. Resolution No. 3105
3. Exhibit "A": a copy of the NTT meeting minutes

Estimated Time of Presentation: 5 minutes

Submitted by: Vincent Harris, Chief Continuous Improvement and Accountability Officer and Jesse Ramos, Director Innovative Schools and Charter School Oversight

Approved by: Jorge A. Aguilar, Superintendent

Board of Education Executive Summary

Innovative Schools and Charter School Oversight

Approve Resolution No. 3105: Resolution To Accept The Surrendered Charter of NorCal Trade and Tech Charter School
October 3, 2019



I. OVERVIEW / HISTORY

Action Proposed:

Sacramento City Unified School District (“District”) and legal counsel have conferred on NorCal Trade and Tech’s (“NTT”) voluntary surrender of the charter and closing of the school. As a result of the action taken by NTT’s Board, legal counsel does not believe the District needs to proceed with the Revocation process. The appropriate next step is to bring a resolution to the Sacramento City Unified School District Board of Education (“Board”) to accept the surrender of NTT’s charter and to articulate NTT’s obligations to close its doors. This Board is asked to approve Resolution No. 3105: Resolution To Accept The Surrendered Charter of NorCal Trade and Tech Charter School. The resolution states, “The Charter School’s closure, effective August 30, 2019, is voluntary, irrevocable, and final.” The acceptance of the surrendered charter of NTT is the preferred action than proceeding with the revocation process, which can be arduous and costly.

History:

The District granted NTT initial petition on January 18, 2018, for a term of five years, beginning on July 1, 2018, and expiring June 30, 2023. Pursuant to NTT’s petition, the charter school seeks to serve adult students over 18 years old and high school students in partnership with the Workforce Innovation Opportunity Act (WIOA) program.

On August 1, 2019, at the meeting of the Board, the issuance of the Notice of Violations to NTT was approved. The Notice of Violations was issued, because over the past year, NTT operated in violation of its charter, engaged in fiscal mismanagement, and breached compliance with law. The school was allowed to remedy the violations on or before September 1, 2019.

Shortly after the Board approved the issuance of the Notice of Violations, on August 17, 2019, the Board of NTT met and unanimously approved “...the surrender of the charter listed as Success Skills Inc. NorCal Trade & Tech, to Sacramento City Unified School District.”

II. DRIVING GOVERNANCE

“The Board shall ensure that the proposed charter contains adequate processes and measures for holding the charter school accountable for fulfilling the terms of its charter. These shall include, but not be limited to, fiscal accountability systems as well as clear performance standards and multiple measures by which the charter school will be held accountable for meeting its educational and other goals for students.” Sacramento City Unified School District, BP 0420.4, March 1, 2007

III. BUDGET

Legal costs associated with the closure of the school, which is estimated to be about four billable hours at two-hundred, seventy-five, and zero cents per hour for a sum of one-thousand, one-hundred dollars, and zero cents.

Board of Education Executive Summary

Innovative Schools and Charter School Oversight

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The closure of the charter will be monitored to assure that NTT fulfills its liabilities to minimize the risk of becoming a financial liability of the District.

IV. GOALS, OBJECTIVES, AND MEASURES

NA

V. MAJOR INITIATIVES

NA

VI. RESULTS

Due to the concerns and violations specified in the Notice of Violations issued to NTT, District staff recommend that the Board conference and take action to accept the surrendered charter of NTT.

VII. LESSONS LEARNED / NEXT STEPS

District staff recommends that the Board conference and take action to accept the surrendered charter of NTT under the terms outlined in Resolution No. 3105. The Resolution articulates NTT's obligations to close its doors. To correctly manage the closure of the school, the Resolution directs the leadership of NTT to take specific actions on various aspects of school management, such as facilities, equipment, personnel, and students. To support those students impacted by the closure of the school, included in the list of its obligations is the notification in writing to pupils and families of the school's closure and attendance options for 2019-20.

Staff will monitor NTT's compliance with the Resolution to assure a successful school closure and to minimize risk to the District.

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

RESOLUTION NO. 3105

RESOLUTION TO ACCEPT THE SURRENDERED CHARTER OF
NORCAL TRADE & TECH CHARTER SCHOOL

WHEREAS, on or about January 18, 2018, Sacramento City Unified School District (“District”) approved the charter petition of Success Skills, Inc. (“Petition”) to operate NorCal Trade & Tech Charter School, California Department of Education (“CDE”) Charter School No. 1986 (“Charter School”);

WHEREAS, the District issued a Notice of Violation to the Charter School on August 1, 2019, citing (1) material violations of conditions, standards, and procedures in the charter, (2) fiscal mismanagement, and (3) violations of the law;

WHEREAS, at its August 17, 2019, meeting, the board of directors of Success Skills, Inc. moved and approved by unanimous vote to cease operations and close the Charter School, effective August 30, 2019. A copy of the meeting minutes are attached to this Resolution as Exhibit “A” and incorporated herein by this reference; and

WHEREAS, for the above stated actions, and other programmatic concerns, the Charter School has voluntarily surrendered the charter and closed the school.

NOW, THEREFORE BE IT RESOLVED that:

1. The District’s Board of Education irrevocably and immediately accepts the closure of the Charter School and the surrender of its Petition.
2. Upon the direction of the District Superintendent or his designees, the Charter School and its directors, officials, agents, employees or any other person authorized to act on the Charter School’s behalf, in as much as they are considered public school officials in matters pertaining to operations of the charter school or public trustees with respect to all public funds and any property purchased with public funds, are hereby directed to proceed pursuant to this resolution.
3. The Charter School’s closure, effective August 30, 2019, is voluntary, irrevocable, and final.
4. The Charter School shall work cooperatively with the District, the California Department of Education (CDE), the State Board of Education and the Sacramento County Office of Education, as appropriate to their respective interests and applicable law, in all matters pertaining to the Charter School’s closures and the winding down of its affairs.

5. The Charter School will immediately provide the District the name of the designated official liaison, responsible for overseeing all matters regarding the closure of the Charter School. The designee shall be available to assist the District in all matters pertaining to the Charter School closure, as well as to families of the pupils affected by the closure.
6. As ordered by law, the Charter School will provide notice to the appropriate entities, including but not limited to (1) students and families in the Charter School; (2) the retirement system in which the Charter School's employees participate (e.g. CalSTRS, and federal social security); (3) the special education local plan area; and (4) the California Department of Education (CDE). These notices will include:
 - a. The date the Charter School closed;
 - b. The name(s) and contract information for the person to whom responsible inquiries may be made regarding the closure;
 - c. The pupil's school district of residence if applicable; and
 - d. The manner in which families and students may obtain copies of pupil records, including specific information on completed courses and credits that meet graduation requirements.
7. The Charter School shall transfer to the District all active and inactive student records by October 31, 2019.
8. By October 10, 2019, the Charter School shall notify, in writing, pupils and families as applicable, of the Charter School's closure and provide information regarding the availability of other applicable public school options. The Charter School shall also post notices at the Charter School site advising pupils and families whom to contact regarding the attendance options for the 2019-2020, as well as actively assist pupils in their transition to other schools.
9. The Charter School will allow the District access, inspection and copying of all school records, including financial and attendance records, upon written request by the District.
10. The Charter School shall provide the pupil records, state assessment results (as applicable), and any special education records to the Charter School's liaison as designated in this resolution, except for records and/or assessment results that the Charter School may be required to transfer to a different entity, such as a pupil's district of residence or future placement.
11. The Charter School shall transfer and maintain all personnel records in accordance with applicable law.
 - a. Personnel records (active and inactive) are to be boxed with records filed alphabetically by the employee's last name.

- b. Personnel records are to include any records the Charter School has relevant to its employees, including, but not limited to, records related to performance and grievance as specified in Labor Code section 1198.5(5 C.C.R. § 11962.1, subd. (b)).
 - c. Personnel records should be provided to the District by October 31, 2019.
- 12. The Charter School shall immediately make all current, past and future contributions due to employees' retirement systems.
- 13. The Charter School shall complete an independent final audit no later than six months from closure of the school. Said audit may function as the annual audit, and will include at least the following:
 - a. An accounting of all financial assets, including cash and accounts receivable and an inventory of property, equipment, and other items of material value;
 - b. An accounting of the liabilities, including accounts payable and any reduction in apportionments as a result of audit findings or other investigations, loans, and unpaid staff compensation;
 - c. An assessment of the disposition of any restricted funds received by or due to the Charter School; and
 - d. Said audit will be paid for by the Charter School.
- 14. The Charter School shall take the following actions by October 31, 2019:
 - a. The return of any grant funds and restricted categorical funds to their source in accordance with the terms of the grant or state and federal law, as appropriate, which may include submission of final expenditure reports for entitlement grants and the filing of any required Final Expenditure Reports and Final Performance Reports;
 - b. The return of any donated materials and property in accordance with any conditions established when the donation of such materials or property was accepted; and
 - c. Surrender to the Superintendent or his designees, by a date determined by District staff, any and all assets of the Charter School, including, without limitation, cash, bank accounts, securities, deeds to real property, computer equipment, audio/visual equipment, photocopiers, fax machines, printers, answering machines, telephones, art supplies, general supplies, books and furnishings.

15. The Charter School shall submit an electronic master list of all students to the District. The list will include each student's identification number, Statewide Student Identifier (SSID), birthdate, full name, address, home school, grade level, classes they have completed, enrollment date, exit code, exit date and the name of the school the student has transferred to (if known). This list is due to District by October 31, 2019.
16. As applicable, the Charter School shall update all student records in the California Longitudinal Pupil Achievement Data System (CALPADS) no later than October 15, 2019.
17. The Charter School shall provide the District with a copy of student attendance records, all state assessment results, and any other school records identified in the school's closure procedures by October 31, 2019.
18. During the transition process the Charter School shall take any other action requested by the District to bring an orderly closure to the Charter School's operation.
19. The Charter School shall follow all local and state laws and procedures regarding the closure process; including but not limited to, those set forth in title 5, section 11962 of the California Code of Regulations.

PASSED and ADOPTED by the Governing Board of the Sacramento City Unified School District this _____ day of _____, 2019.

AYES _____

NOES _____

ABSENT _____

ABSTENTION _____

GOVERNING BOARD OF THE
SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

President of the Board

Exhibit A

**NorCal Trade & Tech
Sacramento, CA**

**Board Minutes
August 17, 2019**

Call To Order: 10:00am

Roll Call: Present: Ward Allen, Larry Bowler and Executive Director Mike Brunelle

Action Items:

5. a. Review and approve the donation of all furniture, equipment, and supplies to Highlands Community Charter School (501.c3)

5. a. It was moved and approved by a unanimous vote that all property owned by NTT, including vehicles, simulators, classroom furniture, computers, and other items be donated to another Sacramento non-profit, Highlands Community Charter School and that this donation/transfer take place prior to August 30, 2019.

5 .b. Review and approve the surrender of the charter listed as Success Skills Inc, NorCal Trade & Tech, to Sacramento City Unified School District

5. b. It was moved and approved by a unanimous vote that NorCal Trade & Tech, Success Skills Inc. the non-profit associated with NorCal cease operations as of August 30, 2019, or sooner if determined by NTT Board, and that the charter awarded to the NTT Board by Sacramento City Unified School District (SCUSD) be surrendered to SCUSD and that all NTT students be transferred to Highlands Community Charter School.

Meeting adjourned at 10:50am.