

Frequently Asked Questions Charter Schools and the LCAP: November 2013 Update

CCSA has been receiving a number of inquiries about the new accountability requirements under the Local Control Funding Formula (LCFF). These *"Frequently Asked Questions"* are designed to provide some guidance related to these new requirements. Schools should note however, that the issues related to the Local Control Accountability Plan (LCAP) are still being discussed by the State Board of Education (SBE) and official regulations and templates are not expected to be approved before January or March of 2014. This guidance reflects CCSA's understanding of LCAP implementation issues based on discussions with the SBE staff and members, charter authorizers and policymakers throughout the state. It is not intended to be interpreted as legal advice or assurance of compliance with any particular section of law. Charter schools should also consult with their own authorizers to determine whether the authorizer's interpretation aligns with the charter school's responses to these issues. In addition, the California Department of Education (CDE) may also be posting FAQs which will offer additional perspective. There may be greater clarity on many of these issues once the SBE adopts regulations in the coming months.

For the content of specific Education Code (EC) Sections referenced in this FAQ, and an LCFF implementation time line, please see CCSA's Accountability Plan Summary document *"Charter School Accountability Plans Under the Local Control Funding Formula (As enacted by AB 97 and SB 91 of 2013)"* which can be found online at: <http://www.calcharters.org/2013/06/lcff-accountability-plans.html>.

What is a Local Control Accountability Plan (LCAP)?

The LCFF is a landmark restructuring of school finance that provides greater local accountability for how new funds are spent to assure that students are achieving. Under the LCFF, each school district and charter school must complete a Local Control Accountability Plan (LCAP). The new requirements for charter schools to create an LCAP are now included in the Charter School Act, EC Section 47606.5. Essentially, the charter school must develop an achievement plan that focuses on eight key state priority areas defined in EC Section 52060(d) that apply for the grade levels served, or the nature of the program operated, by the charter school. The plan must include annual goals for all subgroups of students related to each state priority that is relevant to the charter program and grade levels served, and identify the resources that will be used to achieve those goals. Annually, the LCAP must be reviewed and revised by the charter's governing body and submitted to its authorizer. The authorizer does not approve the LCAP. The charter school must consult with its school community in developing and annually revising the LCAP.

What is required in a charter school's LCAP?

The specific requirements of the charter LCAP are contained in EC Section 47606.5. District LCAPs requirements are contained in Sections 52060-63, however these code sections do not apply to a charter school LCAP, except where specifically referenced, as in the application of the eight state priorities.

According to EC Section 52052, by March 2014, the State Board of Education (SBE) must adopt a template for charter schools to use in developing their LCAPs. A draft template was discussed at the SBE's November 2013 meeting, and it is possible that the SBE will adopt the final template at its January 2014 meeting. The draft template can be found by clicking on Item 13 of the SBE's November 2013 agenda at: <http://www.cde.ca.gov/be/ag/ag/yr13/agenda201311.asp>. CCSA will notify schools when the adopted template is available.

However, regardless of the specifics of the LCAP template, each charter school should already be considering the contents of the LCAP based on the goals described in its charter, the requirements of EC Section 47606.5 and the specific state priority areas that are enumerated on EC Section 52060(d). Because these priorities are already clearly enumerated in law, charter schools may begin the development process now. The charter school LCAP must address the state priorities *"that apply for the grade levels served, or the nature of the program operated, by the charter school"* The LCAP may also *"identify additional school priorities, the goals for the school priorities, and the specific annual actions to achieve those goals."* Because each charter school is different, the application and relative importance of the state priorities may also vary by school.

Are all charter schools required to complete an LCAP?

Yes. The requirements for charter schools to complete an LCAP are incorporated into the charter schools act and apply equally to all charter schools. The law does not contain any provision that applies these requirements differently for different types of charter schools. Particularly, the law does not single out locally funded charter schools or "dependent" charter schools as being exempt from the LCAP requirements, or allow them to be included in the district LCAP. Further, we believe that it would not be possible for a charter school to demonstrate its accountability if it is subsumed in the district's LCAP. Each charter school has its own mission, goals and pupil population that are not the same as the district's. While a charter school may clearly share some goals with its district authorizer, charter school accountability under the LCFF would be significantly compromised without an independent LCAP.

When must an LCAP be completed?

Charter school boards are expected to approve an LCAP and submit it to their charter authorizer by no later than July 1, 2014. Beginning July 1, 2015, the plan shall be reviewed, updated and submitted to the charter authorizer annually. An LCAP shall be developed in accordance with a template adopted by the state board. The SBE is expected to adopt the templates by January or March of 2014. Even before templates are approved, charter schools can begin the process of planning the LCAP and engaging their community in the goal and priority setting process required to complete the LCAP.

Are there changes to the charter petition requirements as a result of LCFF and the LCAP?

Yes. In addition to the new laws specifically addressing the LCAP, petition requirements in EC Section 47605 have also changed to align the educational program, goals, and measurable outcomes of the charter to the LCAP and the new eight state priorities. In enacting the accountability provision of the LCFF, the law acknowledged that charter schools already have an accountability structure in place through their charter documents and the approval and renewal process. Rather than creating a new and parallel structure for charter accountability under LCFF, the new law amends several provisions of

the Charter Schools Act with the intent to strengthen charter accountability and align the goals in the charter to the LCAP.

Specifically, elements A, B and C of a charter that describe the educational program, measurable pupil outcomes and the means to measure progress toward the outcomes have all been amended in law to require the charter document to include *“annual goals, for all pupils and for each subgroup of pupils identified pursuant to Section 52052, to be achieved in the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served, or the nature of the program operated, by the charter school, and specific annual actions to achieve those goals. A charter petition may identify additional school priorities, the goals for the school priorities, and the specific annual actions to achieve those goals.”* This provision allows charter schools flexibility in which priorities to include in its charter and LCAP. For example, a K-3 charter may not have goals for UC eligibility, but may focus more on parental involvement and standards alignment. Or, a high school drop-out recovery program may focus more on attendance and drop out metrics than AP course completion. Each school will be different based on its own mission and population.

When must these changes be made to my charter? How do the new requirements affect schools being approved and renewed during 2013-14?

The laws that created the LCFF, LCAP, and that amended the Charter Schools Act to add the state priorities into the charter became law as urgency legislation when the Governor signed the legislation on July 1, 2013. Developing and renewing charter schools should immediately begin to incorporate these changes into their charter documents. CDE has interpreted this to mean that a charter that is submitted for approval or renewal after July 1, 2013 must include these changes in its charter.

However, as a practical matter, because the SBE has not adopted LCAP guidelines or templates, and the LCAP is not expected to be adopted until July 1, 2014, schools may not have the specific information necessary to fully develop the new charter elements. We recommend that new and renewing charter schools work with their authorizers to determine reasonable expectations around the level of detail needed to address these new requirements. For example, it may be reasonable for a new or renewing charter to reference the law changes and describe the subsequent development of the LCAP by July, without being too explicit on the details of each and every goal that will ultimately be included in the LCAP. We believe that the charter document should include clearly stated goals and outcomes, but the charter should be considered a higher level of articulation of goals and outcomes that will be aligned and supported with more detail in the LCAP as it is developed and annually revised.

While all existing schools should develop an LCAP by July 1, 2014, according to EC Section 47607(a)(2), the charter itself will not need to be updated for these new provisions until it is renewed. This will allow time for the charter school to work with the LCAP templates and make necessary changes to the charter as part of the renewal process when the term expires. The extent of revision required for each charter may vary depending on how well current goals and outcomes are articulated and to what degree they already include the state priorities.

Is the LCAP part of the school's charter document?

The law is very clear that a charter must now contain annual goals and outcomes that will align with the same state priorities which must also be in the LCAP. However, CCSA does not believe that the LCAP is, or should be, part of the school's charter. While we think that alignment of the charter and the LCAP is an important part of accountability for charter schools under LCFF, we support them being considered separate documents. First of all, the charter is typically approved and renewed in a five year cycle. This part of the law has not changed. We believe the goals and outcomes in the charter should be articulated at a higher, more general level to encompass the vision for the school over the full charter term. We envision the LCAP as the *annual* process to review and adjust those higher level goals at a greater level of specificity. As such, the charter and LCAP align, but are not the same thing.

Additionally, if the charter actually included the LCAP, it could be construed to require annual amendment and approval by the authorizer as a "*material revision*" to the charter under EC Section 47607. We do not believe that an annual approval of the LCAP through the authorizers governing board was intended in enacting this law. Such an interpretation would create a significant new mandate on both charter schools and their authorizing boards each year.

The law explicitly requires the charter school to submit its LCAP and annual update to its authorizer annually along with the annual school budget according to EC Section 47604.33. Including the LCAP submission requirements in this section suggest the LCAP is not part of the charter and amendments to it should not be considered a "*material revision*" to the charter. In fact, although the charter school must submit the LCAP to its authorizer, nothing in the submittal requirement indicates that the authorizer has any role in approving the charter's LCAP. Approval and renewal of the charters goals and metrics continues to be overseen through the charter approval and renewal process, and the authorizer must still use standards of "*reasonably comprehensive*" and "*educationally sound*" to evaluate each element in a charter, in accordance with EC Section 47605.

One way to think of the alignment is that the charter continues to be the real "*agreement*" between the charter school and its authorizer. The LCAP is a dynamic planning tool for the school to monitor and adjust its activities to support the goals stated in its charter. The new requirements related to the state priorities will likely result in a higher degree of detail to be contained in most charters.

Is the LCAP the same for school districts and charter schools?

Both charter schools and school districts must create and annually review an LCAP. However, some important details of the LCAP content and process differ between charter schools and school districts, because the LCAP requirements for charter schools and districts are contained in different sections of law. Some key differences include:

Priorities. District LCAPs must address each of the eight state priorities. A charter LCAP must only address "*state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served, or the nature of the program operated, by the charter school*". This distinction offers charter schools greater flexibility to apply the state priority areas relevant to the mission and population of the charter school.

Engagement. In developing LCAPs, districts and charters must specifically “*consult with teachers, principals, administrators, other school personnel, parents, and pupils*”. However, the rules for districts include additional specificity that does not apply to charter schools such as the requirement that the parent advisory committee established pursuant to Section 52063 and English Learner parent advisory committee established pursuant to Section 52063 must be consulted. Since charter schools may not always have these committees, it seems reasonable to provide some flexibility on how they engage parents in the LCAP development. But, charter schools are still required to engage parents and are strongly encouraged to develop procedures for outreach to ensure diverse voices are heard.

Adoption Time Lines. District LCAPs must be adopted by July 1, 2014, but the law is not clear on dates for approval of the charter LCAP. However, we believe that charter school should also submit an approved and completed LCAP to their authorizer by July 1, 2014. The law states that a charter LCAP must be reviewed and updated annually, beginning July 1, 2015, and annual revisions must be sent to the authorizer by July 1 each year. While the law does not have a specific submittal date for the initial charter LCAP, CCSA believes that this was possibly an oversight in drafting the law. We believe that it is necessary to adopt an initial LCAP by July 1, 2014 to provide charter schools a solid base to begin the annual review process.

Revision Timelines. The law requires that “*a local control and accountability plan adopted by a governing board of a school district shall be effective for a period of three years, and shall be updated on or before July 1 of each year.*” However, this three-year term does not apply to charter LCAPs. We believe that this is reasonable because the charter already has a review timeline of five years for renewal, and the LCAP must be reviewed and amended annually. Because the charter LCAP is aligned with the goals of the charter, it seems reasonable for a charter school to do a more comprehensive revision to its LCAP aligned with the time line for its charter renewal.

How can we develop an LCAP or charter goals over the next few years now that the Academic Performance Index and state testing have been suspended?

AB 484 suspended most statewide standardized testing as the state transitions to Common Core Standards and the new Smarter Balance assessment system. This will likely create significant challenges as schools and districts develop their LCAPs. During this transition, school will need to rely on alternative measures to assess student academic performance and growth. CCSA is providing additional guidance and tools to assist schools in this process. However, we also note that many of the state priorities do not exclusively rely on API or standardized testing data, therefore, goals can be developed in the charter and LCAP to address those priorities.

(See <http://www.calcharters.org/advocacy/accountability/common-core.html>)

How is the LCAP different from other school site plans I may be doing for Title 1 or other programs?

The LCAP is established in state law, and therefore has no bearing on any federal plan or reporting requirements for federal programs. Any federal requirements, such as a school site plan for Title 1, must still be met as a condition of those programs.

However, it may be possible to align the LCAP with other reporting requirements so that there is not too much duplication of effort. The law intends to avoid replication whenever possible. Specifically, EC Section 47606.5(d) states that *“to the extent practicable, data reported pursuant to this section (the LCAP) shall be reported in a manner consistent with how information is reported on a school accountability report card.”* And 52064(b) states that *“the (LCAP) templates developed by the state board shall allow a school district, county superintendent of schools, or charter school to complete a single local control and accountability plan to meet the requirements of this article and the requirements of the federal No Child Left Behind Act of 2001 related to local educational agency plans pursuant to Section 1112 of Subpart 1 of Part A of Title I of Public Law 107-110. The state board shall also take steps to minimize duplication of effort at the local level to the greatest extent possible.”*

Does the authorizer have the authority to approve the LCAP?

No. The law requires the charter school to submit the LCAP revisions annually to its authorizer. There is no provision in law to suggest that the authorizer approves a charter LCAP. Charter LCAPs are approved by their own governing boards.

How does the addition of an LCAP for charters affect the role of the authorizer?

The LCAP provides the authorizer (and the charter board) a means to annually monitor the outcomes of the charter school based on the school’s own plan. But, as with the financial information an authorizer receives from its charter schools, there is no explicit requirement that the authorizer review or monitor the LCAP. The LCAP is primarily a tool for the school to assess and modify its own goals. But, the authorizer may use the data from the annual revisions to assess the charter at renewal, or in the most serious cases consider the charter for revocation prior to renewal.

Most significantly though, new EC Section 47607.3 creates new milestones and interventions for charter schools that do not meet their LCAP goals. We note that these time lines will not necessarily align with the renewal timeline and may impose a separate or different monitoring responsibility for authorizers. This section states that, if, over time, the charter fails to meet its LCAP goals, the authorizer can refer the charter school to the California Collaborative for Education Excellence (CCEE) for intervention and assistance to be provided by the authorizer or the CCEE. The CCEE was established as part of the LCFF law, and the details of its operation and structure are still not clear. However, the law provides that if, after the time of such assistance there is still no improvement, the charter may be revoked by the authorizer without appeal. We will provide more details about the CCEE process as it develops. Also, charter schools and authorizers will need to work together to establish procedures related to this new section of law.

How does the LCAP affect the 5 year renewal process?

Progress on the LCAP, and the aligned goals in the charter, may be used as a tool to evaluate a charter school for renewal. While each charter school should develop an LCAP by July, 1 2014, an amendment to the charter to include the state priorities is not required until a charter is renewed. Therefore, over the next few years, at the time of renewal, charter schools will likely need to amend their charters to include goals and outcomes related to the relevant state priorities to more closely align with its LCAP. All charter schools should already be starting the process of reviewing the eight state priorities and determining which are relevant and how they will be addressed in their charter.

As charters come up for renewal, authorizers will need to evaluate charter petitions to ensure that they contain revisions to address these new petition requirements. However, during the initial transition, particularly for schools facing renewal in 2013-14, we would expect some reasonable flexibility in determining the level of detail necessary to incorporate the new priorities into a charter because regulations and LCAP templates have not been completed. Renewal decisions in 2013-14 should be based on the criteria in EC 47607 and the goals stated in the schools charter.

CCSA does not believe that the law suggests that each charter school must pursue a material revision to its charter as part of establishing its initial LCAP. The existing goals and outcomes in the charter will likely address many of the relevant state priorities, and the LCAP can expand on those goals as necessary without triggering an immediate need for an amendment to the charter. According to EC Section 47607, a charter must be amended at renewal to comply with any changes in law since its last approval. Therefore, a charter amendment before renewal is not required.

The charter renewal criteria of EC Section 47607 did not change under LCFF, so renewal decisions will still be based on those standards, or alternative measures as allowed under AB 484. Ideally, like with the annual submittal of financials, an annual receipt of the LCAP and updates will assist the authorizer in a renewal assessment. While the LCAP itself is not technically part of the renewal criteria, progress toward the LCAP is implicit in the renewal because the charter metrics align with the LCAP. The SBE is charged with adopting evaluation rubrics by October, 2015 to assist a charter school in evaluating its strengths, weaknesses, and areas that need improvement. While these rubrics may eventually play a role in goal setting and renewal evaluation, charter renewal continues to be driven by the progress toward the goals and outcomes stated in the charter, and the renewal criteria stated in EC 47607.

What is the role of the State Board of Education (SBE) in the LCAP process?

Many of the changes related to the LCAP for charter schools are specifically delineated in the law. However, the SBE, as the state regulatory agency, will be defining some terms and processes more clearly for all school districts and charter schools. The degree of prescription or flexibility the SBE provides LEAs is the subject of current debate in the regulatory process. However, the SBE is required to adopt templates for development of the LCAP by no later than March 2014 and new evaluation rubrics related to the state priorities by October 2015. Also, in its role as a charter authorizer, the SBE will work with each of its authorized charter school to accept initial LCAPs and revisions as required, and will expect to see new and renewing charters address the new state priorities. They will continue to consider appropriate action if the school does not meet its outcomes.