

**STAFF ANALYSIS AND PROPOSED FINDINGS OF FACT REGARDING REVIEW OF  
ACE EMPOWER CHARTER SCHOOL DISTRICT APPEAL RENEWAL PETITION**

December 1, 2020

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ACE Empower Charter School (ACE Empower or ACE) seeks approval to renew its Santa Clara County independent, direct funded, district appeal charter school serving students in grades 5-8. ACE Empower was initially approved on November 11, 2007, for a three year term and opened in August of 2008. ACE was materially changed in 2010 to change the open enrollment period and was renewed in 2010 and 2016. ACE Empower has requested renewal for a term of five years from July 2021 through June 2026. ACE Empower, located within the Alum Rock Union School District (ARUSD) boundaries, currently serves approximately 250 students.

**PROCEDURAL STATUS**

The Charter Schools Department of the Santa Clara County Office of Education (County Office of Education or SCCOE) received a renewal charter Petition (Petition or Charter), from ACE on September 18, 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), ACE Empower is in the middle performing category. Therefore, any renewal of ACE’s charter would be for a five-year renewal term (see further analysis below). If the charter is renewed by the Santa Clara County Board of Education (SCCBOE or County Board), the new Charter term would begin on July 1, 2021, and run through and including June 30, 2026. Renewals and material revisions of district appeal charters are governed by the standards and criteria set forth in Education Code Section 47605, 47607, and 47607.2.

On October 7, 2020, SCCBOE held a public hearing on the ACE Renewal Petition in accordance with the requirement to do so within 60 days of receipt of the renewal charter petition. On October 8 and 9, 2020, SCCOE Staff conducted a renewal site visit and held stakeholder interviews with ACE parents, students, staff, board members and representatives of ACE Charter Schools as the charter management organization network (ACE CMO or Network).

Per Education Code Sections 47605, 47607 and 47607.2, the County Board has 90 days from receipt of the renewal petition to act, which may be extended by an additional 30 days by mutual agreement.

SCCOE, ACE and ACE CMO developed a Memorandum of Understanding (MOU), which was signed by the Petitioner on November 9, 2020, which governs 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 SCCBOE including SCCBOE’s adoption of the findings and recommendations set forth herein.

The complete renewal Petition that the SCCBOE is acting on is attached to the agenda and is also available for review at: <https://www.sccoe.org/supoffice/charter-schools-office/Pending/ACE%20Empower%20-%20Renewal%20Charter%20Petition%202021-26.pdf>

**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 [County 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 County 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 the chartering authority'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 chartering authority 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, and those steps are 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 not deemed high or low performing is eligible to be considered for a 5-year renewal term. In determining whether to renew the charter, the chartering authority 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:*
  - i. *The school achieved measurable increases in academic achievement, defined by at least one year of growth for each year of school, OR*
  - ii. *Strong post-secondary outcomes, as defined by college enrollment, persistence, and completion rates equal to similar peers.*

*The chartering authority 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 chartering authorities and provide a starting place 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 ACE Empower**

In its Charter, ACE states that it meets the minimum academic performance standards and that its academic performance supports Charter renewal. To assess its academic performance against the criteria for middle-performing charter schools, ACE submitted its data from the California Assessment of Student Performance and Progress (“CAASPP”) as well as comparison school data for the local district and local district school which ACE students would otherwise have attended. ACE states that the data submitted on pages 23 through 36 of the renewal charter establishes that ACE meets the criteria for charter renewal. Staff has not reproduced all of the data provided by ACE in this Staff Analysis and Proposed Findings of Fact, but incorporates it and the CAASPP data herein by this reference.

ACE also submitted additional data and information in response to questions which arose during the public hearing on the renewal Charter and during SCCOE Staff’s visit which was conducted as part of the consideration of the renewal request.

The data below represents the most significant, publicly available, data provided by ACE and/or available for consideration of ACE’s academic performance.

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

As stated above, the CDE released a list of all the California charter schools’ performance data and their performance ranking. Per the CDE’s list, ACE Empower is categorized as a middle-performing charter school. In the chart below, criteria 1 and 2 represent the high-performance category check points and criteria 3 and 4 determine the low-performance category check points. Any school that does not qualify as high or low-performing status is automatically placed in the middle-performing category. Student groups include: Students with Disabilities (SWD), Socioeconomically Disadvantaged (SED), English Learners (EL), and various ethnicity groups.

**Chart 1: High Performing, Middle Performing, or Low Performing Criteria Chart for ACE Empower**

| CRITERIA 1          | Chronic Absenteeism |      |      |      |      | Suspension Rate |      |      |      |      | Graduation Rate |      |      |      |      | College/Career |      |      |      |      | English Language Arts |      |       |       |        | Mathematics |      |       |        |        | Language Proficiency |      |      |      |      |      |      |      |      |      |
|---------------------|---------------------|------|------|------|------|-----------------|------|------|------|------|-----------------|------|------|------|------|----------------|------|------|------|------|-----------------------|------|-------|-------|--------|-------------|------|-------|--------|--------|----------------------|------|------|------|------|------|------|------|------|------|
|                     | 2016                | 2017 | 2018 | 2019 | 2020 | 2016            | 2017 | 2018 | 2019 | 2020 | 2016            | 2017 | 2018 | 2019 | 2020 | 2016           | 2017 | 2018 | 2019 | 2020 | 2016                  | 2017 | 2018  | 2019  | 2020   | 2016        | 2017 | 2018  | 2019   | 2020   | 2016                 | 2017 | 2018 | 2019 | 2020 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Student Group       |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| STATE All Students  |                     |      | 9    | 10.1 |      |                 |      | 3.5  | 3.4  |      |                 |      | 84   | 86   |      |                |      | 42   | 44   |      |                       |      | -6    | -2.5  |        |             |      | -36.4 | -33.3  |        | 30.6                 | 48.3 |      |      |      |      |      |      |      |      |
| School All Students |                     |      | 17.3 | 16.6 |      |                 |      | 16.1 | 6.5  | 10   |                 |      |      |      |      |                |      |      |      |      |                       |      | -71.6 | -70.5 | -77.2  |             |      | -84.1 | -68.7  | -86.7  | 23.8                 | 49   |      |      |      |      |      |      |      |      |
| English Learners    |                     |      | 17.4 | 16.8 |      |                 |      | 19.4 | 11.9 | 10.6 |                 |      |      |      |      |                |      |      |      |      |                       |      | -83.4 | -83.1 | -89.2  |             |      | -97.9 | -84.2  | -97.2  |                      |      |      |      |      |      |      |      |      |      |
| Foster Youth        |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| Homeless            |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| Socio Econ Disadv   |                     |      | 16.9 | 15.8 |      |                 |      | 17   | 10   | 9.1  |                 |      |      |      |      |                |      |      |      |      |                       |      | -75   | -72.4 | -78.1  |             |      | -87.7 | -71.1  | -86.2  |                      |      |      |      |      |      |      |      |      |      |
| SWD                 |                     |      | 22   | 24.6 |      |                 |      | 26.3 | 16.9 | 15.4 |                 |      |      |      |      |                |      |      |      |      |                       |      | -126  | -118  | -128.2 |             |      | -156  | -140.1 | -163.2 |                      |      |      |      |      |      |      |      |      |      |
| African American    |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| American Indian     |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| Asian               |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| Filipino            |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| Hispanic            |                     |      | 17.1 | 16.9 |      |                 |      | 16.5 | 9.8  | 10.2 |                 |      |      |      |      |                |      |      |      |      |                       |      | -72.1 | -72.4 | -79    |             |      | -85.3 | -71.6  | -89.4  |                      |      |      |      |      |      |      |      |      |      |
| Pacific Islander    |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| White               |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |
| Two or More Races   |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |        |             |      |       |        |        |                      |      |      |      |      |      |      |      |      |      |

| CRITERIA 2                | English Language Arts |        |      | Mathematics |        |      | Language Proficiency |      |      | College/Career |      |      |
|---------------------------|-----------------------|--------|------|-------------|--------|------|----------------------|------|------|----------------|------|------|
|                           | 2018                  | 2019   | 2020 | 2018        | 2019   | 2020 | 2018                 | 2019 | 2020 | 2018           | 2019 | 2020 |
| Student Group             |                       |        |      |             |        |      |                      |      |      |                |      |      |
| School - All students     | -70.5                 | -77.2  | 0    | -68.7       | -86.7  | 0    | 23.8                 | 49   | 0    | 0              | 0    | 0    |
| STATE                     | -6                    | -2.5   | 0    | -36.4       | -33.5  | 0    | 30.6                 | 48.3 | 0    | 42.2           | 41   | 0    |
| School - English Learners | -83.1                 | -89.2  | 0    | -84.2       | -97.2  | 0    |                      |      |      |                |      |      |
| STATE                     | -47.1                 | -45.6  | 0    | -69.9       | -68.6  | 0    |                      |      |      |                |      |      |
| School - SED              | -72.4                 | -78.1  | 0    | -71.1       | -86.2  | 0    |                      |      |      |                |      |      |
| STATE                     | -34.7                 | -30.5  | 0    | -67.4       | -63.7  | 0    |                      |      |      |                |      |      |
| School - SWD              | -118.3                | -128.2 | 0    | -140.1      | -163.2 | 0    |                      |      |      |                |      |      |
| STATE                     | -95.5                 | -88.3  | 0    | -125.3      | -119.4 | 0    |                      |      |      |                |      |      |
| School - Hispanic         | -72.4                 | -79    | 0    | -71.6       | -89.4  | 0    |                      |      |      |                |      |      |
| STATE                     | -31.3                 | -27.1  | 0    | -65.8       | -62.2  | 0    |                      |      |      |                |      |      |

Legend:

Colors for the above chart correspond to the five performance indicator colors from the California Dashboard.

Orders of colors: Red - lowest performing; Orange, Yellow, Green, Blue - highest performing.

Criteria 1: if any color other than blue or green is present, school does not qualify for high performing

Criteria 2: if any color other than green is present, school does not qualify for high performing

Criteria 3: if any color other than red or orange is present, school does not qualify for low performing

Criteria 4: if any color other than red is present, school does not qualify for low performing

Green indicates, out performs the State  
 Red indicates, does not out perform the State

| CRITERIA 3    | Chronic Absenteeism |      |      |      |      | Suspension Rate |      |      |      |      | Graduation Rate |      |      |      |      | College/Career |      |      |      |      | English Language Arts |      |       |       |       | Mathematics |      |       |       |       | Language |      |      |      |      |
|---------------|---------------------|------|------|------|------|-----------------|------|------|------|------|-----------------|------|------|------|------|----------------|------|------|------|------|-----------------------|------|-------|-------|-------|-------------|------|-------|-------|-------|----------|------|------|------|------|
|               | 2016                | 2017 | 2018 | 2019 | 2020 | 2016            | 2017 | 2018 | 2019 | 2020 | 2016            | 2017 | 2018 | 2019 | 2020 | 2016           | 2017 | 2018 | 2019 | 2020 | 2016                  | 2017 | 2018  | 2019  | 2020  | 2016        | 2017 | 2018  | 2019  | 2020  | 2016     | 2017 | 2018 | 2019 | 2020 |
| Student Group |                     |      |      |      |      |                 |      |      |      |      |                 |      |      |      |      |                |      |      |      |      |                       |      |       |       |       |             |      |       |       |       |          |      |      |      |      |
| All Students  |                     |      | 17.3 | 16.6 |      |                 |      | 16.1 | 6.5  | 10   |                 |      |      |      |      |                |      |      |      |      |                       |      | -71.6 | -70.5 | -77.8 |             |      | -84.1 | -68.7 | -86.7 | 23.8     | 49   |      |      |      |

**School Academics**

**CAASPP Data**

The tables below reflect the CAASPP data verified by SCCOE staff, (<https://caaspp-elpac.cde.ca.gov/>) while determining ACE Empower’s schoolwide student performance and progress relative to the districts and schools with the largest student populations enrolled at ACE Empower. This comparison data is relevant as part of the consideration of the schoolwide performance and performance of all pupil groups, giving greater weight to performance on measurements of academic performance. Due to COVID-19, all statewide testing for 2019-20 was cancelled. The tables below constitute the most recent academic data available to review.

**Table 1: ALL STUDENTS (percentage at or above standard on CAASPP)**

| 2018-19 CAASPP (ELA: gr. 5-8) |       |       |       |
|-------------------------------|-------|-------|-------|
| Grade                         | ACE   | ARUSD | State |
| 5                             | 13.33 | 40.10 | 51.68 |
| 6                             | 18.43 | 34.99 | 50.01 |
| 7                             | 18.52 | 40.64 | 51.37 |
| 8                             | 23.23 | 42.56 | 49.41 |
| All                           | 19.58 | 39.57 | 50.62 |

| 2018-19 CAASPP (Math: gr. 5-8) |       |       |       |
|--------------------------------|-------|-------|-------|
| Grade                          | ACE   | ARUSD | State |
| 5                              | 6.66  | 27.74 | 37.99 |
| 6                              | 14.47 | 26.77 | 38.52 |
| 7                              | 18.51 | 23.62 | 37.84 |
| 8                              | 23.23 | 28.71 | 36.63 |
| All                            | 17.83 | 26.71 | 37.75 |

Table 1, above, reflects the 2018-19 Smarter Balanced Assessment Consortium (SBAC) results in English Language Arts (ELA) and Math for ACE, ARUSD and the State. ACE’s overall performance is below that of students attending ARUSD and the State. While ARUSD serves students K-8 and the State serve students K-12, the ARUSD and State scores here represent only grades 5-8 to show comparison to ACE Empower.

**Table 2: Comparison of ALL STUDENTS (percentage at or above standard on CAASPP)**

| Four-Year Trend CAASPP (ELA: gr. 5-8) |       |       |       |       |       | Four-Year Trend CAASPP (Math: gr. 5-8) |       |       |       |       |       |
|---------------------------------------|-------|-------|-------|-------|-------|--|-------|-------|-------|-------|-------|
|                                       | 16-17 | 17-18 | 18-19 | 19-20 | Diff  |  | 16-17 | 17-18 | 18-19 | 19-20 | Diff  |
| <b>ACE</b>                            | 20.78 | 16.72 | 19.58 | NA    | -1.20 | <b>ACE</b>                             | 20.17 | 22.84 | 17.83 | NA    | -2.34 |
| <b>ARUSD</b>                          | 40.03 | 40.20 | 39.57 | NA    | -0.46 | <b>ARUSD</b>                           | 28.43 | 27.58 | 26.71 | NA    | -1.72 |
| <b>State</b>                          | 47.90 | 49.14 | 50.62 | NA    | +2.72 | <b>State</b>                           | 36.91 | 35.88 | 37.75 | NA    | +0.84 |

Data for 2019-20 is NA or not available due to cancelation of statewide testing due to COVID-19.

Table 2, above, compares schoolwide student progress across the last four years of SBAC assessment for ARUSD, the State, and ACE students. Results reflect a rate of progress for ACE students that is below their peers in ARUSD and the State in ELA and in Math. ACE shows declines across the term of the charter for both ELA and Math. However, there were increases from 2017-18 to 2018-19 in ELA, but declines in Math. As stated previously, there was no data for 2019-20 due to the cancellation of statewide testing because of COVID-19.

**Table 3: ACE Four-Year Trend (percentage at or above standard on CAASPP)**

| ELA        |       |       |       |       |       | Math       |       |       |       |       |       |
|------------|-------|-------|-------|-------|-------|------------|-------|-------|-------|-------|-------|
| Grade      | 16-17 | 17-18 | 18-19 | 19-20 | Diff  | Grade      | 16-17 | 17-18 | 18-19 | 19-20 | Diff  |
| <b>5</b>   | 14.28 | 8.89  | 13.33 | NA    | -0.95 | <b>5</b>   | 2.04  | 17.77 | 6.66  | NA    | +4.62 |
| <b>6</b>   | 19.81 | 13.64 | 18.43 | NA    | -1.38 | <b>6</b>   | 24.24 | 13.48 | 14.47 | NA    | -9.77 |
| <b>7</b>   | 21.21 | 15.31 | 18.52 | NA    | -2.69 | <b>7</b>   | 17.35 | 23.47 | 18.51 | NA    | +1.16 |
| <b>8</b>   | 24.30 | 25.00 | 23.23 | NA    | -1.07 | <b>8</b>   | 27.36 | 33.70 | 23.23 | NA    | -4.13 |
| <b>All</b> | 20.78 | 16.72 | 19.58 | NA    | -1.20 | <b>All</b> | 20.17 | 22.84 | 17.83 | NA    | -2.34 |

Data for 2019-20 is NA or not available due to cancelation of statewide testing due to COVID-19.

Table 3, above, reflects grade level, year-over-year progress for ACE students. When looking across the table, all grades show increases from 2017-18 to 2018-19 in ELA, but decreases in ELA when looking at the charter term as a whole. For most grade levels in math, there were declines, except sixth grade 2017-18 to 2018-19, which increased. When looking at all students, the overall percentage decreased across the entire charter term in both ELA and Math.

This table also shows cohort data across grade levels (when looking diagonally on the chart). There are mixed performance results across cohorts in ELA and Math. During the public hearing, ACE stated many of its students are significantly underperforming when they enroll in the school; therefore, ACE staff suggested focusing on the academic progress of cohorts moving from seventh to eighth grade, as these students have been at ACE the longest. When looking at the seventh to eighth grade cohort data, there is an increase in ELA, and the Math data demonstrates that students essentially maintained their performance.

**Chart 2: ACE Empower Academy  
CAASPP ELA Eighth Grade Cohort Test Results Over Time**

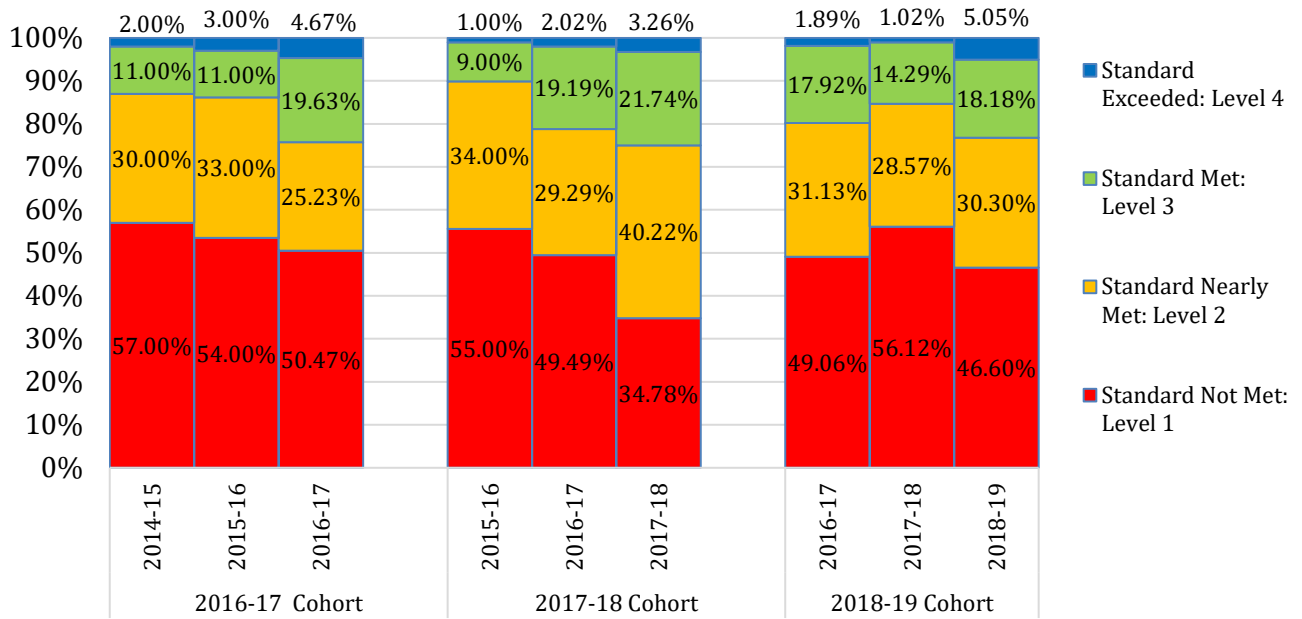


Chart 2, above, reflects the CAASPP English Language Arts eighth grade student cohort data over the last three years. The 2016-17 and 2017-18 cohorts show reductions in the percentage of students who did not meet the standard in sixth through eighth grade while the 2018-19 cohort does not show reductions in the percentage of students below standard, however, the overall performance for the 2018-19 cohort did improve.

**Chart 3: ACE Empower Academy  
CAASPP ELA Eighth Grade English Learner Cohort Test Results Over Time**

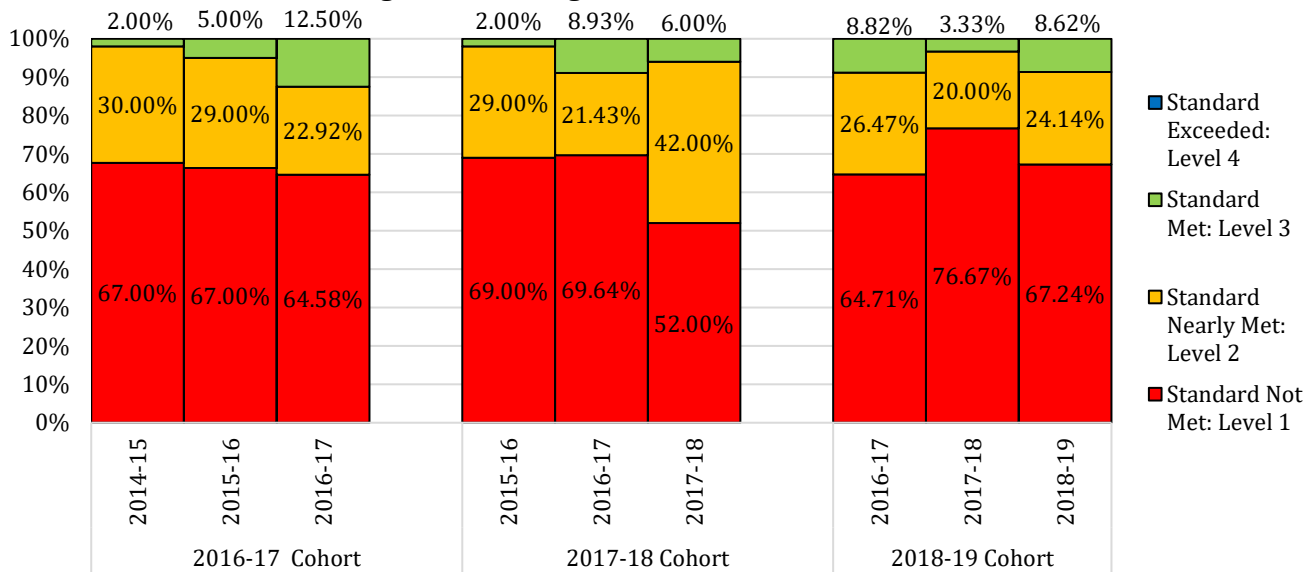


Chart 3, above, reflects the CAASPP English Language Arts (ELA) eighth grade English Learner (EL) student cohort data over the last three years. The 2016-17 and 2017-18 cohorts show reductions in the percentage

of EL students who did not meet standard in sixth through eighth grade while the 2018-19 cohort was inconsistent across the three years and does not demonstrate reductions in the number of students not meeting standard. No EL students scored in the Standard Exceeded: Level 4 performance level.

**Chart 4: ACE Empower Academy  
CAASPP Math Eighth Grade Cohort Test Results Over Time**

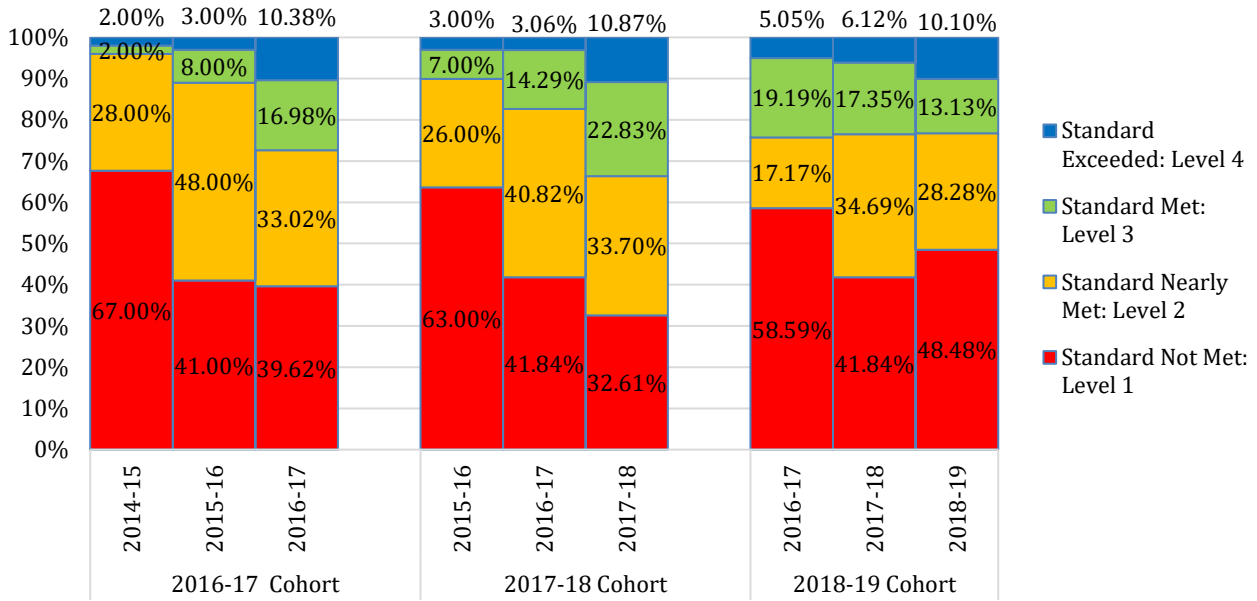


Chart 4 above, reflects the CAASPP Math eighth grade student cohort data over the last three years. The 2016-17 and 2017-18 cohorts show reductions in the percentage of students who did not meet the standard in sixth through eighth grade while the 2018-19 cohort does not show these reductions.

**Chart 5: ACE Empower Academy  
CAASPP Math Eighth Grade English Learner Cohort Test Results Over Time**

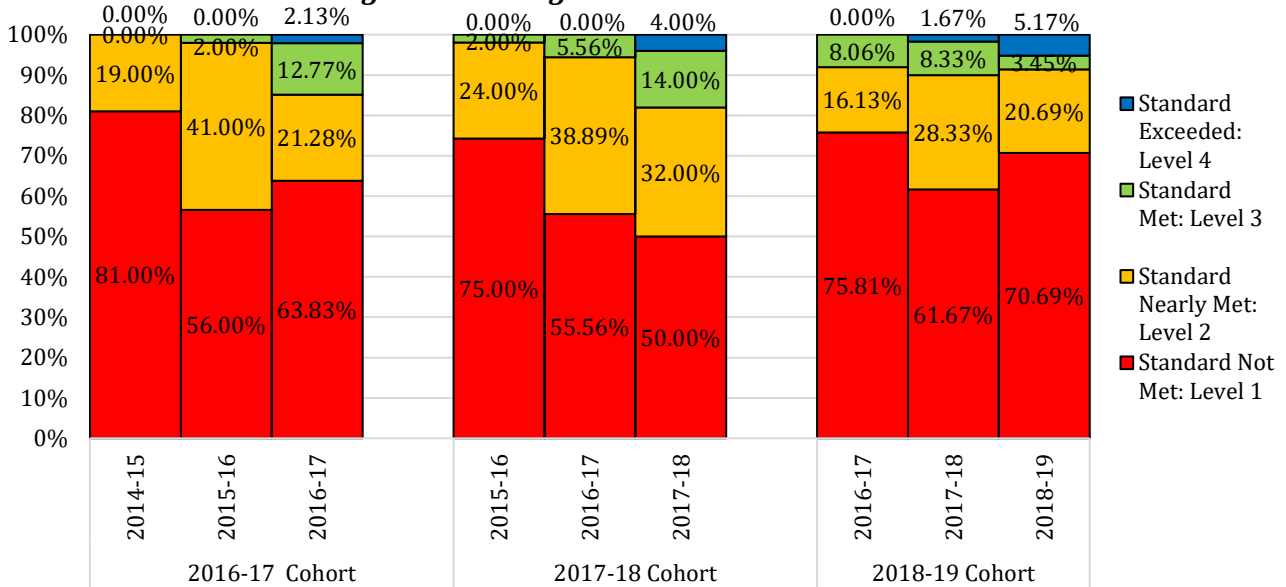


Chart 5, above, reflects the CAASPP Math data for the eighth grade English Learner (EL) student cohort over the last three years. The 2017-18 cohort shows reductions in the percentage of EL students who did not meet



the standard in sixth through eighth grades while the 2016-17 and 2018-19 cohorts do not show these reductions. In 2014-15, the 2016-17 EL Cohort did not score in the Standard Met: Level 3 or Standard Exceeded: Level 4 performance levels. The following EL student groups also did not score in the Standard Exceeded: Level 4 performance level: 2016-17 Cohort in 2015-16, 2017-18 Cohort in 2015-16 and 2016-17, and the 2018-19 Cohort in 2016-17.

**Table 4: ACE Four-Year Trend for Numerically Significant Student Groups in Grades 5-8 (Percentage at or above standard on CAASPP)**

| ELA             |       |       |       |       |       | Math            |       |       |       |       |       |
|-----------------|-------|-------|-------|-------|-------|-----------------|-------|-------|-------|-------|-------|
|                 | 16-17 | 17-18 | 18-19 | 19-20 | Diff  |                 | 16-17 | 17-18 | 18-19 | 19-20 | Diff  |
| <b>SWD</b>      | 10.53 | 5.63  | 8.77  | NA    | -1.76 | <b>SWD</b>      | 4.41  | 8.45  | 0.00  | NA    | -4.41 |
| <b>Hispanic</b> | 20.63 | 16.09 | 18.79 | NA    | -1.84 | <b>Hispanic</b> | 20.00 | 22.01 | 17.02 | NA    | -2.98 |
| <b>SED</b>      | 19.64 | 16.34 | 18.94 | NA    | -0.7  | <b>SED</b>      | 19.57 | 22.15 | 17.42 | NA    | -2.15 |
| <b>EL</b>       | 9.80  | 5.59  | 5.46  | NA    | -4.34 | <b>EL</b>       | 8.20  | 11.11 | 6.67  | NA    | -1.53 |

Data for 2019-20 is NA or not available due to cancelation of statewide testing due to COVID-19.

Table 4, above, reflects the student group data over the last four years. While there are mixed performances across the various years, all student groups show decreases in both ELA and Math when taken as a whole.

**Table 5: School Comparison Results for 2019 (percentage at or above standard on CAASPP)**

| 2018-19 CAASPP (ELA: gr. 5-8)  |       |       |         |        |          |             |       |
|--------------------------------|-------|-------|---------|--------|----------|-------------|-------|
| Group                          | ACE   | ARUSD | Mathson | Chavez | Arbuckle | San Antonio | State |
| <b>ALL</b>                     | 19.58 | 39.57 | 34.66   | 29.03  | 25.00    | 49.21       | 50.62 |
| <b>SED</b>                     | 18.94 | 36.03 | 32.42   | 27.59  | 25.71    | 42.59       | 38.44 |
| <b>Hispanic</b>                | 18.79 | 33.45 | 29.71   | 26.93  | 28.13    | 37.50       | 39.97 |
| <b>EL</b>                      | 5.46  | 4.28  | 5.56    | 12.50  | 0.00     | 10.53       | 9.54  |
| <b>SWD</b>                     | 8.77  | 6.94  | 9.09    | *      | *        | *           | 14.49 |
| 2018-19 CAASPP (Math: gr. 5-8) |       |       |         |        |          |             |       |
| Group                          | ACE   | ARUSD | Mathson | Chavez | Arbuckle | San Antonio | State |
| <b>ALL</b>                     | 17.83 | 26.71 | 19.13   | 19.04  | 2.56     | 32.30       | 37.75 |
| <b>SED</b>                     | 17.42 | 23.20 | 16.02   | 20.34  | 2.70     | 26.79       | 25.06 |
| <b>Hispanic</b>                | 17.02 | 20.17 | 12.32   | 16.98  | 2.86     | 26.00       | 25.67 |
| <b>EL</b>                      | 6.67  | 5.03  | 4.59    | 18.18  | 0.00     | 0.00        | 7.51  |
| <b>SWD</b>                     | 0.00  | 3.38  | 6.06    | *      | *        | *           | 9.81  |

\*No data presented for the group due to size of group at those grade levels.

Table 5, above, compares the 2018-19 CAASPP data for ACE Empower to the middle and elementary schools in ARUSD which ACE students otherwise would have attended: Mathson Middle and Chavez, Arbuckle, and San Antonio elementary schools. EL students at ACE outperformed their peers at ARUSD and Arbuckle in ELA. EL students at ACE also outperformed ARUSD, Mathson, Arbuckle, and San Antonio in Math. Additionally, ACE's students with special needs outperformed the students with special needs at ARUSD in ELA. However, in all other areas, ARUSD, Mathson, Chavez, Arbuckle, San Antonio, and the State, outperform ACE in both ELA and Math. See the color coded version below to review how the different groups compare to ACE (in blue). Green means the school/district outperformed ACE; red means ACE outperformed the school/district.

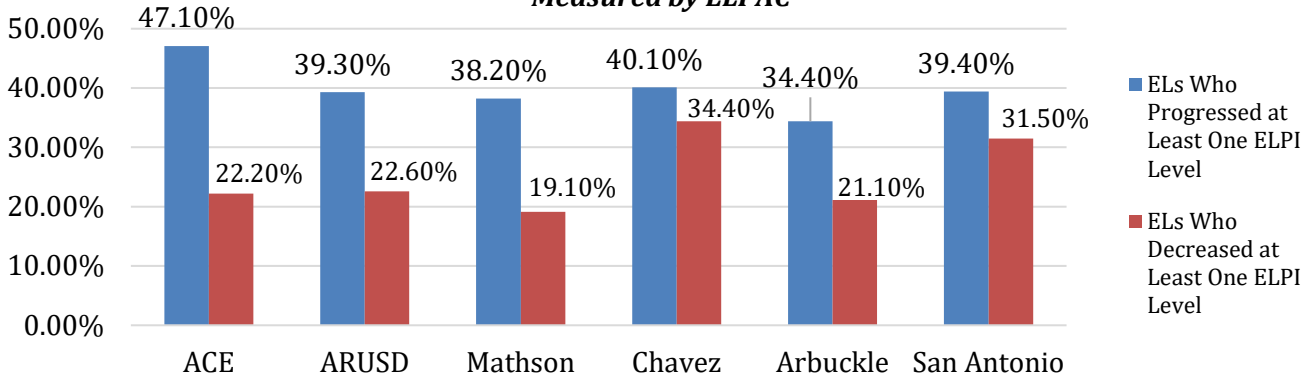
**Table 6: Color-Coded School Comparison Results for 2019  
(percentage at or above standard on CAASPP)**

| 2018-19 CAASPP (ELA: gr. 5-8)  |       |       |         |        |          |             |       |
|--------------------------------|-------|-------|---------|--------|----------|-------------|-------|
| Group                          | ACE   | ARUSD | Mathson | Chavez | Arbuckle | San Antonio | State |
| ALL                            | 19.58 | 39.57 | 34.66   | 29.03  | 25.00    | 49.21       | 50.62 |
| SED                            | 18.94 | 36.03 | 32.42   | 27.59  | 25.71    | 42.59       | 38.44 |
| Hispanic                       | 18.79 | 33.45 | 29.71   | 26.93  | 28.13    | 37.50       | 39.97 |
| EL                             | 5.46  | 4.28  | 5.56    | 12.50  | 0.00     | 10.53       | 9.54  |
| SWD                            | 8.77  | 6.94  | 9.09    | *      | *        | *           | 14.49 |
| 2018-19 CAASPP (Math: gr. 5-8) |       |       |         |        |          |             |       |
| Group                          | ACE   | ARUSD | Mathson | Chavez | Arbuckle | San Antonio | State |
| ALL                            | 17.83 | 26.71 | 19.13   | 19.04  | 2.56     | 32.30       | 37.75 |
| SED                            | 17.42 | 23.20 | 16.02   | 20.34  | 2.70     | 26.79       | 25.06 |
| Hispanic                       | 17.02 | 20.17 | 12.32   | 16.98  | 2.86     | 26.00       | 25.67 |
| EL                             | 6.67  | 5.03  | 4.59    | 18.18  | 0.00     | 0.00        | 7.51  |
| SWD                            | 0.00  | 3.38  | 6.06    | *      | *        | *           | 9.81  |

**ELPAC Data**

Chart 6, below, reflects the 2018-19 English Language Proficiency Assessment of California (ELPAC) data as compared to the elementary schools in ARUSD which ACE students otherwise would have attended: Mathson, Chavez, Arbuckle, and San Antonio schools. ACE outperformed these schools in the percentage of students who progressed at least one English Language Progress Indicator (ELPI) level with 47.1%. The number of EL students who decreased on ELPI level is lower than ARUSD and all but two schools in ARUSD with 22.2%.

**Chart 6: 2019 Comparison of English Learner Progress  
Measured by ELPAC**



**California School Dashboard Data**

In 2017, the State of California instituted the California Dashboard to help parents and educators identify strengths and areas for improvement. The Dashboard reports how districts, schools (including charter and DASS schools), and student groups are performing across state and local measures. For State measures, performance is based on two factors: (1) current year results (Status), and (2) whether results improved or declined from the prior year as compared to themselves (Change). Performance on state measures, using

comparable statewide data, is represented by one of five colors. A performance level (color) is not provided on the Dashboard when a student group has fewer than 30 students in a student group. However, the Status/Change data will be displayed. Further, when a student group has less than 11 students, the group does not receive a performance level (color) and the group's Status/Change is not displayed in order to protect the anonymity of the students. This information is represented by using a grey color gauge with the words "No Performance Color."

**Chart 7: California Dashboard Performance Color Chart**



Due to COVID-19 and the suspension of statewide testing, the California Dashboard was suspended for 2019-20. Thus, the following data is based on the 2018-19 Dashboard data. In 2018-19, ACE was 77.2 points below standard in ELA and demonstrated a decrease of 7.4 points from the prior year, making the performance level for all students Red, which is the lowest level. The following is a summary of the 2018-19 Dashboard performance levels in ELA for all ACE student groups. Students in the English Learner student group were in the Red performance level, scoring 89.2 points below standard and declining 7.1 points from the prior year. Students in the Socioeconomically Disadvantaged student group were also in the Red performance level, scoring 78.1 points below standard and declining 6.5 points from the prior year. Students in the Hispanic student group were in the Red performance level and scored 79 points below standard which was a decline of 7.4 points from the prior year. Students in the SWD group, also were in the Red performance level, scoring 128.2 points below standard and declining 13.1 points from the prior year.

ACE was in the Orange performance level for Math on the 2018-19 Dashboard due to scoring 86.7 points below standard and declining 18.4 points from the prior year. The Math performance levels for ACE's student groups is described in the following summary. Students in the English Learners student group were in the Red performance level and scored 97.2 points below standard, which declined 13.7 points from the prior year. Students in the Socioeconomically Disadvantaged student group were in the Orange performance level and scored 86.2 points below standard, demonstrating a decline of 15.5 points from the prior year. Students in the Hispanic student group were also in the Orange performance level, scoring 89.4 points below standard, declining 18.3 points from the prior year. Students in the SWD group were in the Red performance level, scoring 163.2 points below standard, a decline of 26.3 points from the prior year.

No performance colors, status, or change results were given for students who are Asian, Filipino, or Homeless, as the sample size was less than 11 students tested, and data was not provided to protect privacy.

Other indicators on the California Dashboard for ACE Empower were Chronic Absenteeism – Yellow; Suspension Rate – Orange; and English Learner Progress Indicator (ELPI) – Medium performing – 49% making progress. See Chart 8 below. As previously stated, the Dashboard performance level, or colors, are a measure of ACE's current year performance against its own past performance; and are, thus, a measure of ACE's own growth. As such, comparing the colors on ACE's Dashboard to colors of other schools or districts would not be a comparison of actual testing outcomes but only a demonstration of relative growth or lack of growth (e.g. School A with a lower CAASPP score could have a "better" color than School B with a higher score, because School A had greater growth).

**Chart 8: ACE Student Group Report for 2018 and 2019 per the California Dashboard**

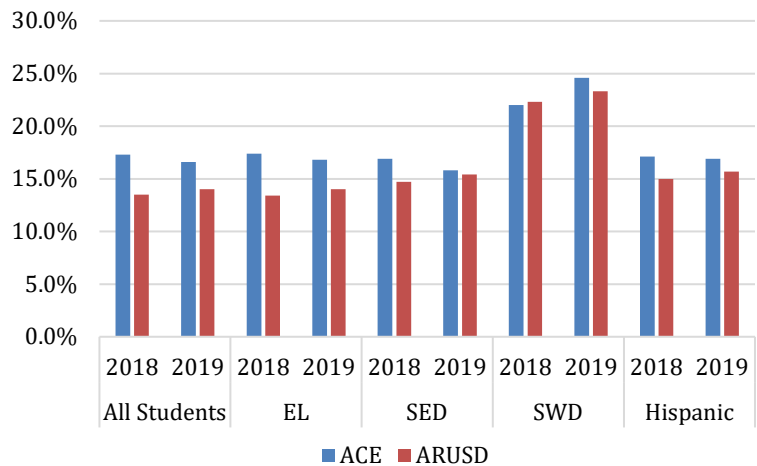
|                     | Chronic Absenteeism |        | Suspension Rate |        | English Language Arts |      | Mathematics |        | English Learner Progress Indicator (ELPI) |              |
|---------------------|---------------------|--------|-----------------|--------|-----------------------|------|-------------|--------|---|--------------|
|                     | 2018                | 2019   | 2018            | 2019   | 2018                  | 2019 | 2018        | 2019   | 2018                                      | 2019         |
| <b>All Students</b> | Yellow              | Yellow | Yellow          | Orange | Red                   | Red  | Yellow      | Orange | 24%                                       | Medium - 49% |
| <b>EL</b>           | Yellow              | Yellow | Yellow          | Yellow | Red                   | Red  | Yellow      | Red    |   |              |
| <b>SED</b>          | Yellow              | Yellow | Yellow          | Yellow | Red                   | Red  | Yellow      | Orange |   |              |
| <b>SWD</b>          | Orange              | Red    | Orange          | Orange | Orange                | Red  | Orange      | Red    |   |              |
| <b>Hispanic</b>     | Yellow              | Orange | Yellow          | Orange | Red                   | Red  | Yellow      | Orange |   |              |

Table 7 and Chart 9, below, show detailed data comparing the chronic absenteeism indicator by student group for ACE and ARUSD in 2017-18 and 2018-19. Chronic absenteeism data is collected for students in grades K-8. To meet the definition of a chronic absentee for the purpose of the Dashboard, a kindergarten through eighth grade student must be absent at least ten percent of the instructional days enrolled and must be enrolled a minimum of 31 instructional days. A chronic absentee must also have attended at least one day to meet the Dashboard criteria. Chronic absenteeism data was not available for the 2016-17 school year. For most of the other measures, the desired outcome is a higher number or percent from the prior year. For this measure, however, the desired outcome is a low chronic absenteeism rate, which means a low percent in the current year and a decline from the prior year rate.

**Table 7: Comparison of ACE and ARUSD Chronic Absenteeism Data**

|                     |      | ACE   | ARUSD |
|---------------------|------|-------|-------|
| <b>All Students</b> | 2018 | 17.3% | 13.5% |
|                     | 2019 | 16.6% | 14.0% |
| <b>EL</b>           | 2018 | 17.4% | 13.4% |
|                     | 2019 | 16.8% | 14.0% |
| <b>SED</b>          | 2018 | 16.9% | 14.7% |
|                     | 2019 | 15.8% | 15.4% |
| <b>SWD</b>          | 2018 | 22.0% | 22.3% |
|                     | 2019 | 24.6% | 23.3% |
| <b>Hispanic</b>     | 2018 | 17.1% | 15.0% |
|                     | 2019 | 16.9% | 15.7% |

**Chart 9: Comparison of ACE and ARUSD Chronic Absenteeism Data**



Data retrieved from:  
[www6.cde.ca.gov/californiamodel](http://www6.cde.ca.gov/californiamodel)

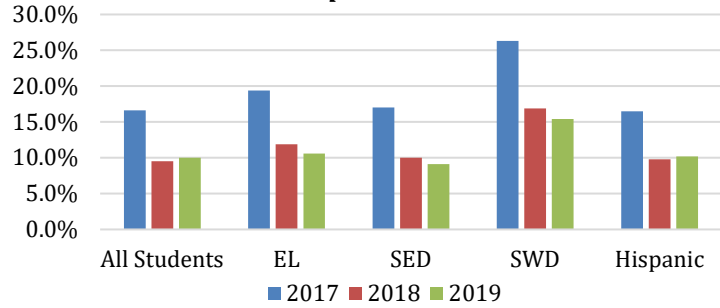
Table 8 and Chart 10, below, show detailed data for the suspension indicator by student group for ACE in 2016-17, 2017-18, and 2018-19. Suspension data vary by local education agency (LEA) and school type. LEAs and schools receive the appropriate cut scores based on their school type (elementary, middle, and high) or LEA type (elementary, high, and unified). ACE suspension data is calculated as a middle school while ARUSD suspension data is calculated as an elementary district. The data from ACE is not comparable to the data from ARUSD; therefore, a comparison has not been provided. For this measure, the desired outcome is a low suspension rate, which means a low percent in the current year and a decline from the prior year rate.

**Table 8: ACE Suspension Data Over Time**

|                     | 2017  | 2018  | 2019  |
|---------------------|-------|-------|-------|
| <b>All Students</b> | 16.6% | 9.5%  | 10.0% |
| <b>EL</b>           | 19.4% | 11.9% | 10.6% |
| <b>SED</b>          | 17.0% | 10.0% | 9.1%  |
| <b>SWD</b>          | 26.3% | 16.9% | 15.4% |
| <b>Hispanic</b>     | 16.5% | 9.8%  | 10.2% |

Data retrieved from: [www6.cde.ca.gov/californiamodel](http://www6.cde.ca.gov/californiamodel)

**Chart 10: ACE Suspension Data Over Time**



ACE has acknowledged to SCCOE Staff areas in which its pupils suffered declines, most particularly based on the declines in ELA and Math for 2018-19 across all areas. ACE presented additional documentation regarding its English Language Development Master Plan to address the concerns around the medium performance of the English Learner Progress Indicator. Further, ACE Empower leadership changed before the start of the 2019-20 school year. During the 2019-20 annual visit, SCCOE staff observed significant improvement in classroom management, instruction, and student engagement under the new principal. If statewide testing had occurred during 2019-20, SCCOE was hopeful the scores would reflect the improvement witnessed during the annual visit. ACE has provided explanations for the academic declines and is working to continue to implement plans specifically aimed at addressing them.

ACE’s academic performance data reflects decreases in academic achievement schoolwide and across significant student groups; however, there are increases in performance for cohort bands. ACE students also perform below the schools or districts they otherwise would have attended, but comparison data is only one piece of the data reviewed. Education Codes 47607 and 47607.2 require the County Board to consider clear and convincing evidence demonstrated by verified data of measurable increases in academic achievement based on ACE’s students making at least one year of growth for each year of ACE Empower’s charter term or strong post-secondary outcomes.

SCCOE considered the available data and evidence from 2016-17, 2017-18, and 2018-19 to determine whether growth has been made. During the annual visit, observation data did show improvement in school leadership and classroom instruction. This observational data is consistent with the internal academic data shared by ACE. Therefore, when taken as a whole, ACE has shown that students are able to make at least one year’s progress for every year they are at ACE and as part of an addendum to the MOU, SCCOE Staff recommends that ACE include in its 2021-22 Local Control Accountability Plan (LCAP) how it will continue to address the academic performance of ACE students. If those terms are included in an addendum to the MOU and ACE continues to address these academic performance concerns, giving greater weight to academic achievement measures for all groups of pupils and considering increases in academic achievement, ACE’s achievement data supports renewal because the performance indicates that ACE 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, ACE’s past fiscal and operational performance also support renewal.

**Finances**

ACE exhibits a healthy financial position. As of June 30, 2019, ACE had an audited reserve balance of 8%. ACE, the ACE CMO, and the ACE Board of Directors have shown strong fiscal oversight. ACE’s Independent Auditor’s Report for the Year Ended June 30, 2019, reports an Unmodified Opinion on the financial statements, as well as on State and Federal compliance with various laws and regulations. In addition, there were no identified deficiencies, or material weaknesses, noted regarding internal controls over financial statements and internal control over compliance for fiscal year 2018-19. All fiscal reports as required by law and the SCCOE have been received on a timely basis. ACE maintains and implements sound fiscal policies and

procedures, including, but not limited to, internal controls governing all financial and business-related activities.

ACE reported an Average Daily Attendance (ADA) of 234 for Fiscal Year (FY) 2019-20. However, ACE projects a decrease in enrollment for FY 2021-22 with an ADA of 220. ACE has projected ADA between 95%-96%. Charter Department Fiscal Staff (Fiscal Staff) is not aware of any significant financial concerns for ACE. It appears ACE projects a healthy financial outlook despite a projected decrease in ADA for fiscal year 2021-22.

**Table 7: Fiscal Historical Revenue/Expenditure Data for ACE**

|                                 | 2017-18   | 2018-19   | 2019-20   |
|---------------------------------|-----------|-----------|-----------|
| <b>A. Beginning balance</b>     | 634,977   | 478,112   | 348,268   |
| <b>B. Revenues</b>              | 4,522,093 | 4,335,569 | 3,429,687 |
| <b>C. Expenditures</b>          | 4,678,958 | 4,465,413 | 3,523,021 |
| <b>D. Surplus/Deficit (B-C)</b> | (156,865) | (129,844) | (93,334)  |
| <b>E. Ending balance (A+D)</b>  | 478,112   | 348,268   | 254,934   |

**Demographic Data**

In accordance with Education Code Section 47607(d), SCCOE requested, received from CDE, and reviewed aggregate data reflecting pupil enrollment patterns at ACE.

**REVIEW OF THE CHARTER PETITION**

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

**1. Sound Education Program**

ACE Empower Academy’s mission is to work with families and communities in the highest-need neighborhoods, to create and sustain middle and high schools where students who have been left behind by the traditional school systems grow to be ready, by the time they leave high school, to choose to attend and graduate from a four-year college or university. ACE Empower Academy recruits and targets the lowest performing students and provides them with an educational culture supported by staff/families/communities. The school’s motto is “Grow. Everyone. Every Day.”

Students earn Merits for Respect, Pride, and Ganas. Each student has an individual plan to gain 1.5 years’ growth on core subjects each year, and the plan is supported by a data informed instructional system that is aligned to Common Core standards and Next Generation Science standards. Individual student performance is aggregated to inform grade and school level performance. The instructional program is informed by assessments and is aligned to Smarter Balanced Summative Assessments and CAASPP. Professional Development days revolve around appropriate usage of qualitative and quantitative data to inform student performance and success.

During COVID-19, ACE Empower pivoted to distance learning. During the Spring of 2020, ACE utilized pre-recorded classes and quickly learned that it needed to provide live teaching experiences for its students to combat learning loss and improve engagement for its students. Starting in the Fall of 2020-21, ACE students have synchronous, or live, instruction in ELA, Math, Social Emotional Learning (SEL), Physical Education (PE), and English Language Development (ELD). These classes are in 60 minute blocks with breaks in between from 8:00-12:30 on Monday through Thursday. Friday is

reserved for asynchronous, or independent, learning time, additional intervention time for students, and planning time for teachers. The ELD classes are assigned to all ACE students as an intervention class to attack academic delays. ELD classes have been re-evaluated during the second quarter and now specifically focus on supporting EL students at their language levels. The afternoon schedule for distance learning comprises small group instruction and additional supports for all students. ACE utilizes Pear Deck as its distance learning platform, allowing teachers to provide real time feedback on student work.

### **Students Performing Below Grade Level:**

ACE Empower actively recruits students who are significantly below grade level to provide them the skills necessary to get to grade level and then on to college. These skills are provided through small class sizes, restorative justice practices, additional support classes, and proactive teachers who “do not let us fail” as stated by one student during the renewal interview.

### **Special Education:**

ACE Empower serves as its own Local Education Area (LEA) for the purposes of compliance with the Individuals with Disabilities Education Improvement Act (IDEIA) and is a member of the El Dorado County Charter Special Education Local Plan Area (SELPA). ACE has 37 (11.6 %) students identified as special education eligible, with many of these students being eligible with mild to moderate needs. These needs are identified as follows: 77.8% specific learning disability, 13.9% speech-language impairment, 5.6% other health impairment, and 2.8% intellectual disability. Special Education support is provided in an inclusive environment and as appropriate, Individualized Educational Plan (IEP) goals are addressed in individual or small group settings. General and special education staff are supported by the network Student Services Director who helps address the program and compliance requirements. ACE also acknowledges its obligation to comply with the terms of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973.

During the current term of the ACE Empower charter, the school has worked toward compliance in the area of Special Education. On two occasions, the 2019-20 annual visit in January and February 2020 and again during the renewal visit in October 2020, SCCOE conducted random special education file reviews. Each review revealed several issues requiring immediate correction and a follow-up visit to confirm the issues were adequately addressed. While SCCOE acknowledges that COVID-19 precluded much of the physical file updating, our reviews found the electronic special education files also needed maintenance and corrections. As part of the follow-up actions to both the annual and renewal special education file reviews, ACE staff conducted complete audits of all its special education files and, as a result, all issues have now been corrected. ACE staff has also put into place additional internal procedures to prevent the issues from occurring again. ACE Empower additionally received from CDE a finding of disproportionality of identification of students for special education. ACE has cleared this CDE finding and is now in compliance with CDE. SCCOE will continue to monitor the situation.

### **English Learners (EL):**

Of the total student population at ACE Empower Academy, 57.8% has been identified as English Learners (EL). The ACE Empower Academy Petition includes an English Learner Master Plan aligned to Common Core and California English Language Development (ELD) standards. The plan focuses on research based instruction that allows students to access content and instruction while simultaneously developing English language skills. On the ELPI only 49% of English Learners are

making progress toward English Language Proficiency and 22.2% of English Learners decreased at least one level during the 2018-19 school year.

Every EL student is held to the same academic standards as all other students. ACE Empower Academy has created and updated an EL Master Plan which includes systematic and comprehensive processes for the Identification and Reclassification of EL students. Both processes include parent input and participation to ensure the process of a shared endeavor. The Petition states that EL students are provided individual and small group instruction based on their stages of language development level (emerging, expanding and bridging) within integrated classroom environments. After classroom observations, SCCOE concluded additional classroom supports are needed to achieve the intended outcomes of the designated ELD period which are to focus on students' linguistic needs of students learning English and teach them how the English language works.

The English Language Development (ELD) Standards are broken down into three parts that allow for (1) meaningful interaction with English language, (2) meaningful application of English language, and (3) foundational skills for beginning EL students. ELD standards are delivered through integrated and designated instructional environments. While integrated ELD is defined as instruction in which the ELD standards are used in tandem with the Common Core to help students who are acquiring English access, engage with, and achieve in grade level academic content; designated ELD is defined as instruction focused on the ELD standards and the particular language needs of students learning English to assist them in developing the critical linguistic skills necessary for language proficiency.

During SCCOE Staff's annual visit, informal observations, and discussions with ACE staff, ACE agreed that although all staff have been trained, more training and intentional implementation is needed for continuous improvement. ACE has been working to improve the quality of instruction for English Learners. They have received guidance from the SCCOE multilingual team; incorporated best practices into network plans, observation protocol, and school site coaching sessions; and have instituted ELD classes for all students at ACE as a means of preventing learning loss. During the second quarter of 2020-21, the ELD classes have been restructured to focus on language development levels of students to comply with the designated ELD time requirement. While ACE staff states the classes are designated ELD time intended to provide specialized attention to English learners' particular language needs, they instead appear to be ELA support rather than an explicit building of English language skills and fluency. Other language supports provided during distance learning include translating ELA lessons into both English and Spanish. The Pear Deck learning platform also offers embedded language supports (dictionaries, translation, audio playback, etc.) which ACE teachers are using to support students who are learning English to access and engage with grade level content standards. Teachers have expressed a desire to continue to use Pear Deck and its embedded language supports when school is able to return to in-person instruction.

The Charter Schools Department Staff concluded the ACE renewal Petition provides sufficient information to substantiate the required elements for a sound educational program provided that academic performance issues are remediated through the LCAP and provisions in the addendum to the MOU.

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

Staff found facts demonstrating the Petitioners are likely to successfully implement the program if ACE creates and implements plans for addressing academic declines and correcting the various issues and concerns noted throughout this Staff Analysis and Findings of Fact through an addendum to the MOU as described more fully throughout this Staff Analysis and Findings of Fact.



### 3. Affirmation of each of the conditions required by statute

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

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

The mandatory notice was not readily found on ACE's website and ACE should immediately update its website to include this notice. ACE must also include this affirmation in an addendum to the MOU as well as in its Student/Parent Handbook.

### 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 SCCOE and consistent with and not contrary to SCCOE's standards and expectations for charter schools under its oversight. SCCOE Staff's indication that the description of an element is "reasonably comprehensive" should not be interpreted to mean SCCOE Staff does not believe additional or different terms relating to that element would need to be agreed to by the Petitioner through the MOU and addendum process. Further, while SCCOE 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 an addendum to the MOU, this does not mean other areas may not need additional correction to be included in the MOU or in an addendum to the MOU. Further, Staff's determination that an element is reasonably comprehensive may be premised on noted issues being remediated through the MOU and addendum process.

The Charter Schools 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 ACE's operations, including its compliance with the required charter elements, have been included in the MOU and/or will need to be included in an addendum to the MOU among ACE Empower, its governing entity/CMO ACE Charter, and the SCCOE.

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

SCCOE Staff concluded ACE 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 Schools Department Staff believes this section of the Charter includes a reasonably comprehensive description only if means of remediating academic performance declines are provided for in the addendum to the MOU and successfully implemented by ACE Empower.

**B. Element Two: Measurable Student Outcomes**

ACE's petition includes an LCAP and a Learning Continuity and Attendance Plan (LCP). Both plans address state requirements. Both provide quantitative and qualitative measures for determining performance and progress. The LCAP, however, is more focused on the ACE CMO than on ACE Empower specifically. While the LCAP is not required for 2020-21 due to COVID-19, the LCP is required by the State. Parent input was solicited through a survey of all ACE parents, followed by an in person meeting where the required components of the LCAP and LCP were shared. Charter-wide parental input was considered as ACE parents and staff determined the best way to utilize their Local Control Funding Formula (LCFF) funds. ACE's LCAP sets achievable benchmarks that scaffold across the three-year span, utilizing student (plus sub-groups) proficiency levels on CAASPP in English Language Arts and Math as the academic indicator. Additional academic metrics involve student performance and progress on the English Language Proficiency Assessments for California (ELPAC). Attendance, absenteeism, suspension and expulsion rates, with achievable benchmark goals, help provide corresponding metrics in determining student outcomes network-wide, but specific goals for ACE Empower action items were not included as the goals listed in the LCAP were more network guided. Parent satisfaction survey results and frequency of parent-teacher conferences and community meetings help round out additional measurable outcomes in describing ACE's comprehensive LCAP. SCCOE Staff also notes that the law regulating charter school adoption of an LCAP for future years has been revised and ACE is now required to comply with all requirements for adoption and revision of an LCAP for future years, including the holding of at least one public hearing to solicit public input on the LCAP in accordance with Education Code Section 47606.5.

The Charter Schools Department Staff believes this section includes a reasonably comprehensive description only if additional written information to address the causes of and plans to remediate academic declines at ACE is provided to SCCOE and committed to in the addendum to the MOU and ACE updates its 2020-21 LCAP to include how it will address its academic declines, including ACE Empower specific information, not only Network-wide plans.

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

ACE has developed an internal assessment system which combines both formative and interim assessments to inform instruction, while quantifying performance and progress. The school utilizes the NWEA - Measure of Academic Progress (MAP), a writing assessment, a benchmark assessment, end-of-course assessments, Response to Intervention (RTI) information, SBAC practice and training tests, and grade level writing tests as the basis of the measurement system. These assessments are implemented based on an assessment calendar. ACE has committed to posting its School Accountability Report Card (including all elements required by law) on or before February 1 of each year.

In light of the State Board of Education's recent adoption of a definition and list of verified data that will be necessary for consideration of future renewals for low and middle performance category charter schools in accordance with Education Code 47607.2, ACE is encouraged to carefully review that information and implement as necessary the use of additional verified data to ensure ACE will be able to measure its student progress on an ongoing basis and provide the necessary evidence of academic achievement and/or postsecondary outcomes as the time of its next renewal request.

The Charter Schools Department 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 nine members and should not exceed 13 members. Currently ACE Empower Academy has a 10 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 Conflict of Interest Code (included in the appendix section). The corporate bylaws have been recently updated to specify that at least one parent representative seat on the Board is reserved for each charter school operated by ACE. The parent representative must have a child currently attending the charter school the parent represents. Parent representatives are nominated by the school's parent leadership council and appointed by the Board. The parent representative will be elected annually in September. Currently there is one parent on the ACE CMO Board, Irene Moran who joined the board in August 2020.

ACE CMO acknowledges the County Board's entitlement to a representative on the ACE CMO Charter School Board should it so desire. The Charter specifies that ACE 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 ACE's Board of Directors. Board meetings are generally held monthly and the Charter specifies that the Board will meet at least every other month.

ACE Empower Academy has a structured Parent Leadership Organization that complies with all requirements of a School Site Council (SSC) and an English Learner Advisory Committee (ELAC).

The Charter Schools 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, ACE recruits personnel who believe in the instructional philosophy outlined in its vision statement. In accordance with Education Code 47605(c)(5)(E), ACE shall be nonsectarian in its employment practices and all other operations. ACE 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. While not mandatory, the staff's ability to speak Spanish is a factor in the effectiveness of serving the community. All employees are subject to background checks, including passing Federal Bureau of Investigation (FBI) and Department of Justice (DOJ) requirements. All employees of the school will be employees of ACE CMO.

ACE continues to work with SCCOE Human Resources ensure that its teaching staff fulfill all the legal requirements for them to perform as teachers. As of the time of the SCCOE Staff renewal visit to ACE, all but two ACE Empower Staff met the current credentialing requirements. ACE corrected the mis-assignments by temporarily placing substitute teachers in the classrooms, while the teachers await California Commission on Teacher Credentialing (CTC) paperwork approval of their internships. ACE, and its teachers, will work with the CTC to monitor the issue. Under AB 1505, teachers continually employed during 2019-20 have until July 2025 to gain and clear their credentials through the same methods available to districts. SCCOE will continue to monitor the process.

The Charter also specifies that teachers in “core” classes must have or be working toward Cross-cultural Language and Academic Development (CLAD) certification or a Commission on Teacher Credentialing recognized equivalent. This requirement is not limited to “core” teachers, but, rather, applies to all teachers who are assigned to provide instruction to English Learners.

The Charter Schools Department Staff believes this section includes a reasonably comprehensive description only if, as a condition of renewal, the MOU clarifies that all the new teacher qualifications apply to all teachers and not to “core” teachers only.

**F. Element Six: Health and Safety**

ACE 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(c)(5)(F) and legal requirements. ACE 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, ACE revised it to include pandemic responses. ACE should commit to at least annually reviewing and updating, as appropriate, its health and safety policies in consultation with its insurance carrier and risk management team.

ACE specifies that prior to the first day of employment at ACE, employees must submit an “I-9 Proof of American citizenship form with a copy of driver’s license and social security card, or other acceptable identification.” The I-9 form is used to verify the identity and employment authorization of individuals hired for employment in the United States, but it is not proof of American citizenship, and ACE cannot require employees to be U.S. citizens. ACE should agree through a provision in an addendum to the MOU that it will require the legally mandated proof of identity and authorization to work in the United States, but not the proof of citizenship. ACE has also provided and complied with additional health and safety measures regarding Public Health orders on COVID-19.

The Charter Schools Department Staff believes this section includes a reasonably comprehensive description with the inclusion of a clarification regarding ACE’s legal hiring practices to be included in an addendum to the MOU.

**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 to which the ACE Empower charter was initially submitted, which, as previously established is Alum Rock Union School District.

**Table 7: Demographic Comparison of ARUSD and ACE Empower for 2019-20**

| 2019-20      | Hispanic or Latino | Asian | Filipino | White | African American | Two or More Races |
|--------------|--------------------|-------|----------|-------|------------------|-------------------|
| <b>ACE</b>   | 98.0%              | 0.8%  | 0.4%     | 0.4%  | 0.0%             | 0.4%              |
| <b>ARUSD</b> | 78.3%              | 11.7% | 5.0%     | 1.6%  | 1.1%             | 1.4%              |

**Table 8: Student Group Comparison Data for 2019-20**

|              | Total # | SED% | EL%  | SWD% |
|--------------|---------|------|------|------|
| <b>ACE</b>   | 244     | 96.7 | 57.8 | 16.0 |
| <b>ARUSD</b> | 8,710   | 82.1 | 36.3 | 11.2 |

Data gathered from Dataquest: [data1.cde.ca.gov/dataquest](http://data1.cde.ca.gov/dataquest)

ACE strives through recruitment and admissions practices, to achieve a balance of racial and ethnic pupils, special education pupils, and English learner pupils that is reflective of the general population residing within the territorial jurisdiction of the local school district and has updated its description of this charter element to address increasing efforts to create a balance of students with special needs and English Learner pupils reflective of the population of the district. ACE notes that its balance may vary from the general population residing within ARUSD because it is located within a traditionally underserved neighborhood with high need, and ACE’s focus is on students who have typically struggled and are far behind. ACE’s strategy includes (1) printing and distributing materials in English, Spanish, and other languages reflecting the needs of the community; (2) an enrollment process that is scheduled and adopted to include a timeline that allows for a broad-based application process; (3) the development and distribution of promotional and informational material that reaches out to all of the various racial and ethnic groups represented in the territorial jurisdiction of the local school district, as well as to families of students with special needs; (4) continuous outreach activities throughout the community; (5) increased outreach to Asian and Filipino students and families, including translation of all recruitment materials into Vietnamese and provision of translation services during recruitment events; (6) an additional focus on searching and serving students who are on the Autism Spectrum; (7) ongoing data-based research into the local district’s demographics.

**Table 9: ACE Empower Demographic Data from 2016-17 to 2019-20**

|                | Total # of Students | Hispanic or Latino % | Asian % | Filipino % | White % | African American % | Two or More Races % |
|----------------|---------------------|----------------------|---------|------------|---------|--------------------|---------------------|
| <b>2016-17</b> | 359                 | 97.5                 | 0.6     | 1.1        | 0.8     | 0.0                | 0.0                 |
| <b>2017-18</b> | 337                 | 98.2                 | 0.9     | 0.3        | 0.0     | 0.3                | 0.3                 |
| <b>2018-19</b> | 301                 | 98.3                 | 0.7     | 0.7        | 0.0     | 0.3                | 0.0                 |
| <b>2019-20</b> | 244                 | 98.0                 | 0.8     | 0.4        | 0.4     | 0.0                | 0.4                 |

**Table 10: ACE Empower Student Group Data from 2016-17 to 2019-20**

|                | <b>Total # of Students</b> | <b>SED%</b> | <b>EL%</b> | <b>SWD%</b> |
|----------------|----------------------------|-------------|------------|-------------|
| <b>2016-17</b> | 359                        | 94.2        | 55.4       | 19.2        |
| <b>2017-18</b> | 337                        | 96.1        | 61.4       | 22.0        |
| <b>2018-19</b> | 301                        | 93.7        | 63.1       | 19.6        |
| <b>2019-20</b> | 244                        | 96.7        | 57.8       | 16.0        |

Data gathered from Dataquest: [data1.cde.ca.gov/dataquest](http://data1.cde.ca.gov/dataquest)

ACE’s student demographics do not closely reflect the demographics of Alum Rock Union School District, as ACE has higher Hispanic, SED, EL and SWD populations. This element of the Charter does, however, reflect the SCCBOE and ACE Board’s desire to provide opportunities for the targeted demographic population to have access to choice programs.

The Charter Schools Department Staff believes this section includes a reasonably comprehensive description. ACE’s Charter includes a commitment to audit and expand its efforts as necessary to achieve the requisite balance in accordance with Education Code Section 47605(c)(5)(G).

**H. Element Eight: Admissions Policies and Procedures**

ACE 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. ACE 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, ACE specifies its intent to implement the following preferences (with the exception of existing students) in the following order:

1. Siblings of currently enrolled or admitted students
2. Children of the paid staff of ACE Charter Schools
3. Residents of the District
4. Other State residents

Other than the preference for residents of the ARUSD, whether to permit the proposed preferences is within the discretion of the SCCBOE.

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 Schools Department Staff believes this section includes a reasonably comprehensive description.

**I. Element Nine: Financial Audit**

ACE states in the Petition 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 describes the ACE 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, a commitment to resolve any deficiencies to SCCOE's satisfaction, and how this will be communicated to the necessary outside parties.

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

**J. Element Ten: Student Suspension/Expulsion Procedures**

ACE's Charter sets forth its comprehensive suspension and expulsion policies and procedures which have been updated to reflect current law. The discipline policy set forth in the School Site Safety and Crisis Response Plan included as an appendix to the Charter has not been updated to be consistent with the law and the policy described in the Charter (e.g. it continues to include suspension for disruption and willful defiance, without limitation to grades 9-12). This Plan, and all versions of ACE's student discipline policy, must be updated to be consistent with the law and the Charter.

The Charter Schools Department Staff believes this section includes a reasonably comprehensive description, with the inclusion of an addendum to the MOU of a requirement that ACE update and maintain all version of its suspension and expulsion policies to be consistent with the law and the terms of the Charter.

**K. Element Eleven: Employee Retirement System**

The ACE Empower Charter states all full-time employees of ACE 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 401(k) or 403(b) defined contribution plan and an employee payroll deferral plan as applicable to their position." While it appears that the intent of this language is that all employees who do not participate in STRS participate in social security, and those employees may also be afforded the opportunity to participate in a 401(k) or 403(b) plan, it must be clear that STRS or social security are mandatory and the other plans do not replace participation in other plans. ACE employees may have access to additional ACE-sponsored retirement plans according to policies developed by the board of directors and adopted as ACE employee policies. ACE has designated staff positions to be responsible for ensuring appropriate arrangements for retirement coverage are made for ACE employees.

The Charter Schools Department Staff believes this section includes a reasonably comprehensive description, and recommends a clarification be included in an addendum to the MOU.

**L. Element Twelve: Public School Attendance Alternatives**

The Charter specifies that no student may be required to attend ACE. Students who reside within ARUSD and choose not to attend ACE 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 ACE 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 Schools Department Staff believes this section includes a reasonably comprehensive description.

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

ACE states in this element that no employees of the County are required to work at the charter school and discusses return rights of County employees. Staff notes, however, that the County Board of Education is the chartering authority and the County Superintendent of Schools is the employer of all employees at SCCOE. The discussion in this element is complete, and provides that SCCOE employees have no automatic rights of return and only such rights as the County Superintendent may choose to provide. This element also includes the same information relative to employees of ARUSD or any school district who choose to leave their district employment to work at ACE.

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

**N. Element Fourteen: Dispute Resolution**

ACE includes the dispute resolution process between ACE and SCCOE which has also been agreed to in the MOU. As part of the SCCOE standards of excellence contained in the MOU, ACE has agreed to replacement provisions regarding the handling of internal disputes.

The Charter Schools Department Staff believes this section as supplemented and updated through the MOU includes a reasonably comprehensive description.

**O. Element Fifteen: Closure Protocol**

ACE outlines a process to be used if the charter school closes. Once documented as official action by ACE Board, there is a process addressing notification of all entities, and to ensure smooth transition of students and records to suitable alternative programs. ACE will provide a Final Audit and plans for disposition of assets and liabilities and transfer of pupil 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 any dissolution of the corporation and file all necessary filings with appropriate state and federal agencies. As part of the SCCOE standards of excellence contained in the MOU, ACE has agreed to supplementary closure procedures described in the MOU, and in the case of a discrepancy between the MOU and Charter closing procedures, the MOU will prevail.

The Charter Schools Department Staff believes this section, as supplemented and updated through the MOU, includes a reasonably comprehensive description.



**Required Supplemental Information**

SCCOE Staff reviewed ACE’s Petition, which includes the Budget Narrative and Budget (Fiscal Years (FY) 2020-21 through 2023-24 as requested). SCCOE Staff has also reviewed additional information from documents and interviews to provide clarification on the school’s financial position. This included meeting with the ACE 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 re-created by SCCOE Staff to recalculate the LCFF Revenue sources reported on the Petition.

**Enrollment and Average Daily Attendance (ADA)**

SCCOE Fiscal Staff is concerned about ACE’s declining enrollment. ACE’s projected budget for FY 2020-21 through 2023-24 anticipates a decrease in enrollment from 245 students in FY 2020-21 (based on 2019-20 ADA as per SB 98 hold harmless provision) to 220 students in FY 2021-22. ACE’s projected decrease in enrollment, with an ADA of 210 for FY 2021-22, is reportedly due to students and families leaving the area because of the high cost of living. After further communication with the ACE fiscal team, the SCCOE fiscal staff learned that with the recent addition of two positions, ACE anticipates to increase its recruitment efforts, and, therefore, projects a reasonable enrollment increase in FY 2022-23 and thereafter.

**Table 11: ACE 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 |
| <b>Actual Enrollment</b>    | 329             | 289     | 245     |                            |         |         |         |
| <b>Projected Enrollment</b> |                 |         |         | 245                        | 220     | 225     | 230     |
| <b>ADA*</b>                 | 313             | 278     | 234     | 234                        | 210     | 215     | 219     |
| <b>ADA%</b>                 | 95%             | 96%     | 96%     | 96%                        | 95%     | 96%     | 95%     |

*\*Historical ADA data based on P-Annual*

**Revenues and Expenses**

**Table 12: ACE Revenue and Expense Projections**

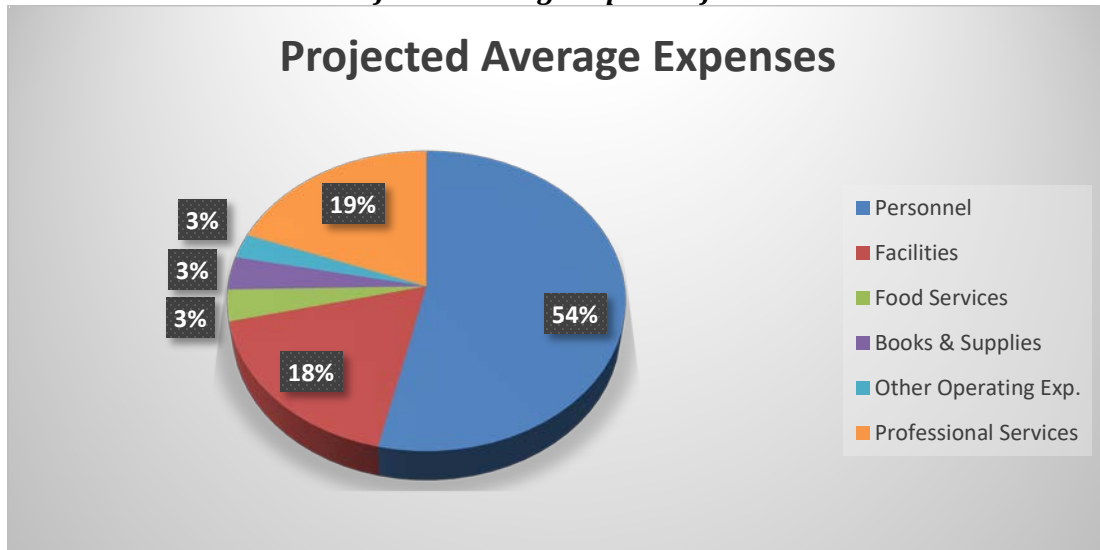
| Revenue and Expense Projections                   |           |           |           |           |
|---|-----------|-----------|-----------|-----------|
|   | 2020-21   | 2021-22   | 2022-23   | 2023-24   |
| <b>A. Beginning balance</b>                       | 254,934   | 735,594   | 555,767   | 488,877   |
| <b>B. Revenues</b>                                | 3,829,672 | 3,187,250 | 3,322,157 | 3,431,976 |
| <b>C. Expenses</b>                                | 4,083,377 | 3,367,077 | 3,389,047 | 3,426,631 |
| <b>D. Surplus/Deficit (B-C)</b>                   | (253,705) | (179,827) | (66,890)  | 5,345     |
| <b>E. Ending balance (A+D)</b>                    | 1,231     | 555,767   | 488,877   | 494,222   |
| <b>F. *Non-Cash Accounting Deferred Lease Adj</b> | 734,362   | NA        | NA        | NA        |
| <b>G. Operating Ending balance (E+F)</b>          | 735,594   | 555,767   | 488,877   | 494,222   |

*\* Non-Cash Accounting Deferred Lease Adj: refers to a 2020-21 accounting adjustment for the 35 year facilities lease agreement and does not impact cash. This adjustment is not applicable for the out years.*

ACE 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. ACE is conservative in its revenue and expense projections. For FY 2020-21, reserves exclude the effect of a negative deferred lease rent adjustment of approximately \$735,000 that is reflected in the ending fund balance. Spending plans align with projected revenues. Staffing financial projections appear to be reasonable. The projected expenditure costs seem to be accurately stated and with the deferred lease rent adjustment ACE demonstrates satisfactory ability to meet its financial obligations.

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

**Chart 13: ACE Projected Average Expenses for the Renewal Term Years**



**Cash Flow**

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

ACE’s petition provides reasonable cash flow projections and assumptions pertaining to cash flow timings for major revenue sources required for financial solvency and sustainability. Multiyear cash flow projections show that ACE will be positive. As of June 30, 2019, ACE had an audited cash balance of 23%. In the event there is an unforeseen financial crisis, ACE and ACE CMO reserves should adequately suffice to cover unfavorable budget variances.

**Potential Civil Liability Effects on the School and County Office**

ACE is in compliance with its current MOU, including the insurance and indemnification, defense, and hold harmless provisions, and has agreed through the new MOU to those provisions as required by SCCOE’s risk management team. There is no reason to believe that ACE will not continue to abide by SCCOE’s requirements and the agreed upon MOU and any addendum thereto. There are currently no pending litigation or other liability concerns with ACE.

**5. Exclusive Public Employer**

As required by the Charter Schools Act, the Charter specifies that ACE Charter Schools shall be deemed the exclusive public employer of the employees of the Charter School for the purposes of Educational Employment Relations Act (“EERA”). SCCOE staff notes that the statement to this effect in the “Affirmations and Declarations” section in the Charter was inadvertently left blank, but the requisite statement is included in the Labor Relations section of the Charter.

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

ACE currently serves grades 5-8. It is located in ARUSD and sets forth specific requirements for its facility needs. ACE is located at 625 South Sunset Avenue, San Jose, CA 95116.

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

**7. Any Other Criteria Set Forth in the Statute**

Since ACE’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 98, which enact broad changes to the Charter Schools Act. ACE will need to comply with the changes to the law. The Charter, along with the MOU and terms of an addendum to the MOU as described above, indicate that ACE will so comply.

**CONCLUSION**

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

It is the recommendation of the Charter Schools Department Staff that the ACE Charter be renewed on the conditions that ACE Empower and ACE CMO enter into an Addendum to the 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 SCCBOE, and adopt the Board Resolution Conditionally Approving the Charter Renewal for ACE Empower Charter School, and, Alternatively, Making Written Factual Findings Supporting Denial & Denying the ACE Empower Charter School Charter Renewal if the Conditions Are Not Met, for the period of July 1, 2021, through June 30, 2026.

**Student Impact**

The Charter School office provides oversight and monitoring for 22 County Board of Education authorized charter schools. ACE was authorized in 2007 and currently serves approximately 250 students.