



Discovery Charter School
P.O. Box 1434
Campbell, CA 95009-1484
15 December 2005

Mr. T. N. Ho, President, Board of Education
Mrs. Colleen Wilcox, Superintendent
Santa Clara County Office of Education
1290 Ridder Park Drive
San Jose, CA 95131-2389

Re: Appeal of Denied Petition for Charter School

Dear Mr. Ho and Mrs. Wilcox:

On behalf of the parents and teachers who have signed the attached charter school petition, I submit the enclosed petition for the establishment of a K-8 Charter School.

The petition was submitted to the Moreland School District (the "District") on 26 September 2005, and a public hearing was held 18 October. On 21 November, the day before the Moreland School District Board of Trustees ("Moreland Board") was scheduled to meet to make a final decision on the charter petition, the Superintendent of the Moreland School District submitted his Report and Recommendation to deny the petition to the Moreland Board and provided a copy to the Petitioners that afternoon. The Petitioners submitted a Response to the Superintendent's Report the next afternoon, 22 November 2005.

At the 22 November Moreland Board meeting, it was noted that the Petitioners had made numerous attempts since submission of the petition to meet with district officials to clarify or make any needed changes in the petition. The Superintendent, however, chose not to meet with the Petitioners to clarify or negotiate any items of concern. Two board members wanted to ask the Petitioners for an extension of time during which the District and the Petitioners could discuss and negotiate provisions of the charter petition. The Petitioners agreed that we would be willing to do so. However, the Moreland Board then voted 3 to 2 not to ask for an extension of time to talk or negotiate. Thereupon, the Moreland Board voted 3 to 2 to adopt the Superintendent's report as their written findings of fact and to deny the charter petition.

As set forth in the Petitioner's Response to the Superintendent's Report, the Petitioners believe that all but one of the areas of concern set forth in the Superintendent's Report could have been easily resolved by clarification or minor modifications. The District's main concern was whether the Charter School can require parents to sign a parent participation agreement as an admission requirement.

The petitioning teachers and parents believe that the attached charter petition fully meets the requirements of the Charter Schools Act and is in keeping with charters approved by the California State Board of Education and thus merits consideration and approval by the Santa Clara County Board of Education.

We therefore appeal to the Santa Clara County Board of Education ("the County Board") to grant approval of the charter pursuant to Education Code Section 47605 to enable the creation of Discovery Charter School. Discovery Charter School agrees to operate the school pursuant to the terms of the Charter Schools Act, the provisions of the attached charter, and all other applicable law, including the Brown Act and the Public Records Act.

The Charter School estimates an initial enrollment of 350 students and employment of 16 teachers in the fall of 2006.

Attachments

In addition to the documents required by Santa Clara County Office of Education Administrative Regulation 6230, we submit the following additional materials:

1. Petitioner's Response to the Superintendent's Report and Recommendation to the Moreland Board.
2. Petitioner's Supplemental Response to the Superintendent's Report and Recommendation.
3. Petitioner's Response to Board Concerns, submitted to the Moreland School Board on 9 November 2005, addressing issues and concerns expressed by the Moreland Board at the public hearing on 18 October 2005.

Submitted with this letter are the following attachments required by Santa Clara County Office of Education Administrative Regulation 6230:

- A. A copy of the charter school proposal including full charter and petition (redlined to show the Santa Clara Office of Education as the chartering authority). Teacher and parent signatures are included with the original petition in Attachment H.
- B. Validation that the charter school has nonprofit status as shown in the Articles of Incorporation.
- C. Validation that teachers signing the petition have a "meaningful interest" in the charter; e.g., that they are from the local area and may have an interest in being employed by the charter school.
- D. A description of how the charter school will facilitate the sponsoring agency's compliance with the Public Records Act.
- E. A description of how the charter school will facilitate the sponsoring agency's compliance with the Brown Act.
- F. A list of the board of directors for the charter school as well as a description of any relationships between board members and outside contractors.

- G. A copy of the governing board's action of denial of the petition, and the governing board's written factual findings, if the petition had been previously denied by the governing board of a school district.
- H. A description of any changes to the petition necessary to reflect the County Board as the chartering agency as well as a copy of the original petition (including teacher and parent signatures) as denied by the District.
- I. A statement indicating the grades to be served by the charter school and the grades served by the sponsoring district.
- J. A signed certification of compliance with applicable law.

This petition is not filed pursuant to Sections 47605 or 47605.6 of the California Education Code.

Petition Signatures

California Education Code Section 47605 provides that a charter school petition may be submitted to the governing board of the school district for review after *either* of the following conditions is met:

- The petition has been signed by a number of parents or guardians of pupils that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the school for its first year of operation.
- The petition has been signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation.

Twenty-six (26) teachers, more than the eight required (half of the estimated 16 teachers required for the opening term of the Charter School), have signed the petition and have certified that they are teachers who are meaningfully interested in teaching at the Discovery Charter School for the 2006-07 school year. The petition therefore has more than the requisite number of teacher signatures to be valid on the basis of teacher signatures.

In addition, parents representing approximately 188 K-6 students, more than the 175 required (half of the estimated enrollment of 350 students for the opening term of the Charter School), have certified that they are parents/guardians who are meaningfully interested in enrolling their child(ren) at the Discovery Charter School for the 2006-07 school year. The petition therefore also has enough parent/guardian signatures to be valid on the basis of parent signatures.

Standard of Review

Pursuant to the intent of the California Legislature as stated in California Education Code Section 47601, this petition is intended to provide improved learning and teaching opportunities and to expand the choices of educational opportunities available to the Moreland School District community.

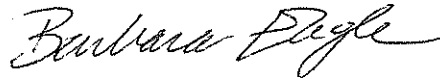
California Education Code Section 47605(b) provides that

In reviewing petitions for the establishment of charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged.

We believe that the education program detailed in the attached petition presents a sound basis for the proposed charter school and merits your consideration and approval.

If you have any questions concerning this petition, please contact Barbara Eagle by phone at 408/396-4400, by e-mail at barb@eaglevsn.com, or at the address above. Thank you very much for your consideration of this matter.

Sincerely,



Barbara Eagle, Lead Petitioner

Received on behalf of the Santa Clara County Office of Education by:

Name

Title

Date

SUBMISSION OF PETITION FOR CHARTER SCHOOL

The undersigned hereby certify that we submitted the Charter School Petition for the Discovery Charter School to the Office of the Superintendent of the Santa Clara County Office of Education on 15 December 2005.

Name

Name

Name

Name

The undersigned hereby certify that we have received the Charter School Petition for the Discovery Charter School on behalf of the Santa Clara County Office of Education on 15 December 2005.

Name

Title

Name

Title

Name

Title

ATTACHMENT 1

Petitioner's Response to the Superintendent's Report and Recommendation to the Moreland Board.



LAW OFFICES OF SPECTOR, MIDDLETON, YOUNG & MINNEY, LLP

NOVEMBER 22, 2005

PAUL C. MINNEY
JAMES E. YOUNG
MICHAEL S. MIDDLETON
DANIEL I. SPECTOR
LISA A. CORR

Dr. Les Adelson, Superintendent
Members, Board of Trustees
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ADAM J. SUSZ
MARISA L. RUBITZ
CHASTIN H. PIERMAN
JULIE D. ROBBINS

**Re: Response to Superintendent's Report and
Recommendation Regarding Discovery Charter School
Petition dated November 21, 2005**

Dear Board Members and Superintendent Adelson:

Our office serves as legal counsel for the Petitioners for the Discovery Charter School. The purpose of this letter is to respond to the above referenced Superintendent Report and Recommendations received by the Petitioners late yesterday afternoon, November 21st ("Report").

Failure to Encourage the Creation of the Charter School

As a preliminary matter, the District's late delivery of the Report and complete refusal to discuss the terms of the charter with the Petitioners to determine where agreement might be easily reached is distressing. The Petitioners attempted to contact the District and its legal counsel on numerous occasions and were rejected. We believe that all of the issues raised in the Report could have easily been resolved to the satisfaction of the District if the District had allowed for a meeting or even simply a telephone discussion with the Petitioners.

On page 8 of the report, without any legal justification, the District Superintendent states that Education Code Section 47605 does not allow for any type of negotiation over the terms of the charter. If this is the case, the State Board of Education has violated the law with every charter it has approved, as every State Board of Education charter is approved with agreed upon conditions which include negotiated changes to the charter as needed. Further, the practice of "negotiating" charter terms has been common throughout the State, including some of our largest school districts, Los Angeles Unified School District and the San Diego Unified School District; and County Boards of Education, including Santa Clara County Board of Education, which has approved charters on appeal, with conditions that included negotiated charter changes. It is the opinion of our office that not only does the law support negotiation, it encourages it.

Specifically, Education Code Section 47605(b) states as follows:

“In reviewing petitions for the establishment of charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational systems and that establishment of charter schools should be encouraged.” (emphasis added).

Interestingly, the word “encouraged” is defined by the Webster’s Dictionary as “to inspire with courage, spirit, or hope; to spur on; or to give help or patronage to”. It is clear that the District’s response to Petitioners has been anything but encouraging, thus blatantly ignoring the guidance of our Legislature.

Further, the refusal by the District to meet or discuss its issues appears to be in conflict with your District Board Policy 0420.4, which states, as follows:

“The Governing Board believes the charter schools provide one opportunity to implement school level reform and to support innovations which improve student learning.”

Lastly, as you are all aware, the Education Code is a permissive Education Code. The District is allowed to “initiate and carry on any program, activity, or may otherwise act in any manner which is not in conflict with or inconsistent with, or preempted by, any law[.]” (Ed. Code 35160). There is no explicit nor implicit limitation in the Education Code on the District’s ability to negotiate changes to the charter petition. Indeed, as stated above, the Charter Schools Act clearly directs the District work with the charter school petitions – which the District has clearly failed to do.

In the end, the Report provided to Board members represents the legal *opinion* of one attorney only and does not benefit from healthy discussion amongst both parties and mutually beneficial compromise – to meet the intent of the Legislation outlined in the Charter Schools Act.

Brief Responses to Stated Concerns:

As stated above, the concerns listed in the Report could have been resolved through brief discussion with the Petitioners (and if not all concerns could have been resolved by a mutual agreement on conditions that must be met after approval of the charter school but prior to beginning instruction). This section of the Response shall briefly summarize our responses to those concerns in the Report:

- **Mandatory Parent Participation**

As an initial statement, the charter nor any attachment to the charter never contemplated any punishment (denial of re-enrollment, expulsion or other) for students whose parents failed to comply with volunteer requirements or failed to sign the parent participation agreement. This contract was meant as nothing more than deterrent to keep parent participation strong.

However, our office is troubled by the determination in the report that a parent participation requirement is illegal and against the California Constitution. We are unaware of any constitutional requirement that has changed since the operation of the District's Moreland Discovery School ("MDS"). Consider the District's description of MDS in the MDS School Accountability Report Card for 2002-2003 (published in 2003-2004):

"Moreland Discovery School (MDS) is a parent participation school, therefore, family participation is at the heart of our program. *When they choose to place their child at MDS, families commit to two hours of classroom participation per week, one Saturday work day, and seven parent education evenings per school year. This is the minimal level of involvement for each family, but parents who choose a program of this type typically are those who want a high level of involvement in their child's school.* MDS enjoys a huge number of benefits from the many parents for whom a two-hour weekly classroom commitment is just the start of their weekly volunteer efforts." (emphasis added)

Further, it appears that Anderson Village Elementary requires a Home and School Compact which, according to its handbook posted on the internet "calls for every family to volunteer 10 hours or more a year."

Are we to understand the District's current Report to support the denial of the Charter School to be an admission of constitutional violations of the District for its prior operation of MDS as described above and the current operation of Anderson Village Elementary?

That said, the Petitioners would be happy to agree to seek the legal opinion of the legal counsel of the California Department of Education and/or seek declaratory relief in Superior Court regarding the parent volunteer requirements prior to operation as legal validation of the contract.

The District Report makes a broad assertion that "tuition" is "broadly understood as the contribution of something of value to a school as consideration for enrollment" without any legal authority, and states that a "court would have no difficulty similarly finding that

the required contribution of labor is equivalent to the payment of money for tuition.” To the contrary, a California Court did analyze a parent participation requirement in a charter school and found it legal. In the case of Ferrhira v. Pioneer Union Elementary School District, the Superior Court of Kings County in Case No. 94C2724 validated a parent participation requirement. In its decision, the Court discussed the latitude given to charter schools in molding their educational plan. In examining the purpose of the Charter Schools Act of 1992, the Court found that the issues of parent participation, and the nature, extent and effectiveness of the parental participation required were policy issues that the School was authorized to address under its duly approved charter.

Interestingly, the Florida Department of Education issued an opinion of General Counsel regarding this issue. In opinion no. 03-05 dated April 15, 2003, the General Counsel for the Florida Department of Education concludes that a mandatory participation obligation in Florida is legal even though Florida also has a constitutional provision for free schools. Moreover, California school districts are allowed in alternative programs, GATE and Magnet programs to set admissions requirements as a condition precedent to entrance.

Parent participation requirements also align with California State Board of Education Policy 89-01 related to “Parent Involvement in the Education of Their Children” which was included as an attachment to the charter. Amongst other indications of State Board support for parent participation policies, the State Board of Education concludes with “Parent involvement is fundamental to a healthy system of public education.”

Further, it worth noting that at least 5 out of 9 State Board of Education approved charter schools have mandatory parent participation requirements. Moreover, most alternative schools and magnet schools operated by school districts and many other traditional public schools across the State have parent participation requirements that are a condition precedent to enrollment (such as the District’s own prior operation of MDS).

On a final note, it is important to challenge the conclusion made in the Report that volunteerism is somehow tied to wealth. Schools across the State from the poorest urban areas to those in rural areas have instituted parent participation requirements to increase student achievement. I believe that many dedicated parents of students of all socio-economic levels would take issue at this conclusion of the District’s Report, which I note is provided without any statistical data to back it up.

- **Student Discipline Rules, Due Process Rights**

Page 37 of the charter says that the school’s student handbook will clearly describe school expectations. Attachment 21 is a draft policy, which will comply with all federal and state due process requirements. The Petitioners would be glad to remove the “non-exhaustive” reference within the draft suspension and expulsion policy provided as an attachment to the charter. The intent of the Charter School was not to deprive any

student of due process rights, but instead to allow room for expulsion for actions such as arson which are not technically covered under the Education Code list of violations, but which is clearly expellable. That said, our office can understand the concerns of District legal counsel in this area and would agree to remove this language from the draft policy as a condition to operation.

- **Unlawful Punishment of Student for Parent Conduct**

As stated above, there is no language in the charter, the draft suspension/expulsion policy, or draft parent contract that would punish the student for the failure of the parent to meet the volunteer terms of the parent contract, including disenrollment or prohibition of re-enrollment.

As stated above, the Petitioners feel very strongly about the importance of parent involvement in student success. The parent contract is meant as a “deterrent” with the hope that parents who sign the contract will understand the importance of parent involvement and will follow through to the benefit of their student(s). However, the Petitioners purposely omitted any penalty for noncompliance, such as disenrollment or some form of re-enrollment prohibition. Interestingly, many of the State Board of Education approved charter schools contain parent participation requirements, which do result in the loss of eligibility for re-enrollment for noncompliance. I am aware that at least two of them are in areas in Inglewood and Los Angeles with a large Latino population and large free and reduced population.

Finally, as discussed above, it is difficult for the Petitioners to understand how the allegations raised in the District’s report would have applied to the District’s own operation of the MDS program as described in its School Accountability Report Card.

- **Unlawful Punishment of Students for Work Habits**

There is no intention of the Petitioners to suspend or expel a student based upon academic work habits. There is also nothing in the charter or the draft suspension and expulsion policy which states that a student with poor academic work habits will be suspended, expelled or otherwise disenrolled. Thus, while Petitioners are happy to affirm this to be the case, we believe this concern in the Report to be unfounded.

The charter merely states that the overall discipline policies of the Charter School will include overall expectations for work habits, such as the requirement that a student sit quietly, listen to a teacher, and focus on his or her own work. This is no different than the District’s Board Policy 5131 related to student conduct which states as follows:

“Behavior is considered appropriate when students are diligent in study, neat and clean, careful with school property, respectful towards their teachers, and courteous to other students, staff and volunteers.”

I would submit that the above statement in the District’s Board Policy relates to “work habits” and is completely appropriate in the same manner as the language in the charter. If District legal counsel finds the language in the charter legally inappropriate, it appears that he may deem the District’s own Board policies to require legal review as well.

- **Impairment of Right to Inspect Charter School**

The Charter School would gladly submit to random, unannounced visits and inspections by the District. The language of the proposed charter is common throughout the State and seeks to balance the potential disruption of its educational program for non-emergency inspections and observations. Had the District requested the elimination of this provision the charter school would have done so without argument and would gladly do so as a condition to approval or operation.

- **Impairment of Exercise of District Oversight**

There is nothing in the charter that would prohibit the District from proceeding toward revocation under Education Code Section 47607. In fact, I note two separate verbatim references to the District’s right to revoke under Section 47607 on p. 41 and p. 42 of the charter. The statement on p. 6 of the Report that the on p. 33 of the charter, the “petition expressly subjects any potential revocation of the charter to a long drawn-out process...” is completely inaccurate. In the dispute resolution provisions of p. 33, the Petitioners ask that if the District files a dispute against the charter school (which it is not obligated to do), it will note whether the dispute could lead toward revocation. This notation does not in any way slow down the revocation process, nor require the dispute resolution process prior to proceeding toward revocation. This is to be compared to many, many charters in the State that do seek to limit the ability of the District to revoke by expressly attempting to condition revocation on the dispute resolution process. The language provided by Petitioners does not attempt to do this. Instead, there are many situations that the District might believe revocation could be warranted but choose to go through dispute resolution instead of revocation. In this case, the District might want to notify the Charter School that the dispute could lead to revocation if not resolved to the satisfaction of the District, thus encouraging resolution by the Charter School.

All this stated, if the District is uncomfortable with providing that notation to the Charter School, during dispute resolution, the Petitioners would be glad to remove that reference from this Section of the charter.

- **Unlikely to Achieve a Racial and Ethnic Balance Reflective of the District**

The charter school will engage in a separate and distinct enrollment process, with the necessary outreach outlined in the charter and its attachments, to fulfill its first year enrollment. As the District aptly notes in its Report, the Charter School cannot ever ensure or control its pupil population (under Proposition 209), it can only conduct appropriate outreach to attempt to compile an applicant pool that would lead to a reflective population after random public drawing. The signature gathering process is not "recruitment" and does not guarantee any admission or create any preference for admission to the Charter School, nor guarantee a signatory will choose the Charter School. A signature only indicates that a parent is "meaningfully interested" in enrolling his or her child in the School. The District cannot and should not be utilizing these signatures as some form of indication of the Charter School's ability to conduct broad outreach. We have provided Spanish translators at community meetings and in our community announcements. We provided a translator for the public hearing and will have one also for tonight's Board meeting.

If the District has specific concerns about the Charter School's outreach plan as outlined in Attachment 20 the Charter School would be glad to work with the District to finalize an outreach plan that the District agrees would reach out to the broadest base of students reflective of the District's population.

- **Petition Avoids Application of Conflict of Interest Laws**

As with many of the other concerns noted in the Report, had the District discussed this concern with the Petitioners, the Petitioners would have easily agreed to comply with Govt. Code 1090 and remove any contemplation of employees on the Charter School Board of Directors (even though, for the reasons stated below, they feel Govt. Code 1090 does not apply to charter schools and most charter schools have paid employees on their boards).

Section 20 of the draft bylaws provides that directors and officers will not be compensated for services as directors of officers.

The District legal counsel makes the assumption that Government Code Section 1090 applies to charter schools. While no court or State agency has ruled on whether Government Code Section 1090 applies to charter schools, it the opinion of our office that Section 1090 does not apply to charter schools. As with a great many statutory proscriptions, Government Code Section 1090 applies to specifically stated public entities (e.g., county, city, districts). Interestingly, Government Code 1090 was made applicable to school districts through the application of Education Code Section 35233. Education Code Section 47610 (otherwise referred to as the "mega-waiver") exempts charter schools from laws governing school districts, and thus exempts charter schools

from Section 35233 and thus the operation of Government Code Section 1090. It may also be worth noting that a charter school is not specifically listed and does not fall within the definition of one of the specified entities listed in Section 1090.

In addition, Government Code Section 1090 is inconsistent with the spirit and the intent of the Charter Schools Act. The Charter Schools Act, under Education Code Section 47604 which intended for community and stakeholder involvement. For example, subsection (d) notes the intent of the legislature to "create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the schoolsite." It is the predominant practice in the State to have paid employees on the governing bodies of charter schools. We believe that courts or other State agencies will generally grant deference to what has become "industry standard" amongst most charter schools, including those approved by the State Board of Education.

Moreover, for those charter schools that are organized as nonprofit public benefit corporations, there are Corporation Code Sections circumscribing self-dealing and employee/board members and limiting the Board to 49% interested directors. Further, the Fair Political Practices Commission has interpreted the Political Reform Act to apply to charter schools, thus requiring board members to disclose and any personal financial interest related to Board discussion and requiring board members to recuse themselves from the action and discussion and to leave the room. Therefore, the public policy of fiscal accountability and avoidance of conflicts of interests is met through alternative statutory proscriptions.

It may be worth noting that the State Board of Education is currently developing charter school specific conflicts of interest regulations. Early drafts mirror the provisions of the Corporations Code and Political Reform Act, but do not rise to the levels of the strict restrictions of Government Code 1090.

- **Petition Authorizes Meetings in Violation of the Brown Act**

The charter petition states that it will comply with all applicable laws. The Petitioners stated in their early response to District Board inquiries, that this compliance shall include the Brown act. The bylaws which are cited are clearly draft and indicated not to be incorporated into the actual charter. We recognize that the Petitioners template draft bylaws do not restate the full procedures of the Brown Act and thus could be interpreted as incomplete, but certainly not in direct contravention with the Act. However, the provisions of the bylaws are not meant as an indication of the Petitioners intent to violate the Act as compliance with the Brown Act is a strict requirement of the charter. The Petitioners are happy to more fully describe its intent and procedures to comply with the Brown Act in revised bylaws as a condition to operation or approval.

Please note that the provisions of our draft bylaws ensure that the charter board can meet out of state when necessary under Brown Act section 54954(b).

- **Charter School Misstates Law on Oversight Fee Attempting to Shortcut District \$50,000 per Year**

In our financial projections, we showed separately the 1% supervisory fee to which the District would be entitled in any case and an additional 2% supervisory fee in lieu of prorata share of facilities costs.

Under Education Code Section 47613, the District is not entitled to its actual costs of supervisory oversight up to 3% of the revenue of the Charter School (as opposed to the standard 1%), for oversight unless it can show it is providing substantially rent free facilities to the Charter School. Most school districts in California that are charging the pro rata share under Proposition 39 have concluded that they are not providing substantially rent free facilities (to do so would essentially require the school district to provide the facility free of any charges). Moreover, the District would have to demonstrate that it has actual costs of supervisory oversight up to 3% in order to be entitled to the extra 2% or as stated by the District as \$50,000 even if it was providing substantially rent free facilities (Section 47613 does not guarantee oversight fees to the District – only reimbursement of actual costs up to the percent limitations). In the end, unless and until we negotiate a pro rata share for a facility in accordance with the terms of the Proposition 39, there is no way of knowing whether the District might be entitled to the higher oversight fee of up to 3% under Education Code Section 47613, and unless and until the District engages in its oversight there is no real way of predicting whether it will incur actual costs up to 3%.

Lastly, it must be noted that all costs of oversight of a charter school (including those costs associated with the charter petition review process) to the extent not reimbursed by the charter school's oversight fees are fully reimbursed through the State's mandated cost reimbursement program.

- **In the Event of Closure, the Charter School Retains Authority to Transfer Assets Out Of District**

The Charter School's closure procedure aligns with the proposed charter school closure procedure outlined by the California Department of Education (see, <http://www.cde.ca.gov/sp/cs/lr/cscclouserules.asp>). As such, any remaining assets of the charter school upon closure can be donated in accordance with the articles of incorporation as allowed under the laws applicable to nonprofit public benefit corporations, either a governmental entity, which could include the District or another nonprofit public benefit corporation. In our experience, however, 9 out of 10 charter school closure cases result in debt left behind and not assets. In that case the debts are

dissolved through the nonprofit (either through dissolution or bankruptcy) and do not become the liabilities of the District or the State. It is not clear how this aspect of the Superintendent's Report relates to any reason for denial under the Charter Schools Act.

- **Petition Asserts Right to Facilities Contrary to Proposition 39**

The District appears to be concerned that the Petitioners are attempting to slip something into the charter petition forcing the District commit to a facility. However, the section referenced in the Report is part of the impact statement which clearly indicates it is not part of the charter petition and not a "legally binding contract or agreement." (see Attachment 22 (page 121) wherein it states: "This, as an informational document, does not constitute a legally binding contract or agreement, is not intended to govern the relationship of DCS and the District, and is not a part of the charter of the School or any related agreements or memorandum of understanding")

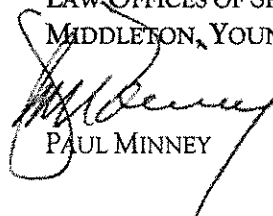
The impact statement is not making a unilateral declaration of a right to facility. Indeed, it just clearly states that the charter school shall "submit a request for District facilities under the terms of California Proposition 39." Should the District seek to penalize the Petitioners for exercising a legal right granted under statute, it would be violating the statutory and constitutional rights of Petitioners. The District has no statutory authorization to deny a charter based upon its stated intent to seek facilities from the District under Proposition 39 or for merely restating the law.

* * *

The Petitioners continue to seek a cooperative, collaborative, mutually beneficial relationship with the District. Please consider these responses an invitation to approve this charter with conditions to operation as suggested herein, which would resolve the concerns listed in the District's Report.

Sincerely,

LAW OFFICES OF SPECTOR,
MIDDLETON, YOUNG & MINNEY, LLP



PAUL MINNEY



LISA CORR

ATTA _____ CHMENT 2

Petitioner's Supplemental Response to the _____ Superintendent's Rep

SUPPLEMENTAL BRIEF IN SUPPORT OF A PARENT PARTICIPATION REQUIREMENT

Introduction

Discovery Charter School, a non-profit corporation, submitted a petition seeking to establish a charter school in the Moreland School District to the Moreland School District Board of Trustees ("Moreland School Board") on September 26, 2005. On November 22, 2005, the Moreland School Board voted 3 to 2 to accept the Superintendent's Recommendation to deny the charter petition.

The District's main concern was whether the Charter School can require parents to sign a parent participation agreement as an admission requirement.

The purpose of this provision is to ensure that the parents and teachers of the Charter School can count on the consistent parent participation necessary for the Charter School's developmentally appropriate, small group-based instruction program.

Specifically, the charter petition requires, as a condition of enrollment, a parent commitment to a regularly scheduled work shift or assignment, with flexibility for family needs and circumstances, but does not punish a parent or student by disenrollment or any other manner for failure to meet the participation requirements.

The Petitioners now seek review and approval of this petition from the Santa Clara County Board of Education ("County Board"). This Memorandum is submitted to assist the Board in its consideration.

It is the position of the Petitioners that a parent participation requirement does not violate the California Constitution, is authorized by statute, case law, and State Board of Education precedent, and should be permitted as an integral aspect of the Discovery Charter School program.

The California State Board Of Education Has Approved Charter Schools With A Parent Participation Admission Requirement And Other Districts In Santa Clara County Have Schools With Parent Participation Requirements.

The California State Board of Education ("State Board") has approved four charter schools with parent participation requirements. These schools are:

- Academy of Culture and Technology
- Animo Inglewood Charter High School
- New West Charter Middle School and
- Ridgecrest Charter School.

The New West Charter Middle School Charter Petition states: "Agreement to the contract by parents (or guardians) shall be one of the terms of admission and enrollment each year for students who want to attend New West." (New West Charter Middle School Charter at p. 58.) See Addendum I: Sections of the New West Charter Middle School Charter Concerning Parent Participation. The full text of the New West Charter Middle School Charter may be found on the "About New West" page of the school's website at <http://www.newwestcharter.org/>.

There are at least four district schools in Santa Clara County that have parent participation requirements. These schools are:

- Village School
- Christa McAuliffe School
- Washington Open Elementary School
- Indigo School.

In addition there are numerous approved charter schools throughout the state that have parent participation requirements. These schools include:

- Linscott Charter School
- Ocean Charter School
- Our Community School
- Pacifica Community Charter School
- San Carlos Charter Learning Center
- Santa Rosa Charter School
- Temecula Valley Charter School
- The San Diego Cooperative Charter School
- Tierra Pacifica Charter School

Required Parent Participation Does Not Violate The California Constitutional Guarantee Of A Free Public Education.

The California Constitution, Article IX, section 5 requires the Legislature to “provide for a system of common schools by which a free school shall be kept up and supported in each district.” This provision entitles “the youth of the State...to be educated at the public expense.” (Ward v. Flood (1874) 48 Cal. 36, 51.) In *Hartzell v. Connell* (1984) 35 Cal.3d 911, the California Supreme Court said “In guaranteeing ‘free’ public schools, Article IX, section 5 fixes the precise extent of the financial burden which may be imposed on the right to an education – none.” In enacting charter school legislation (California Education Code §47600 et. seq.,) the Legislature specified that charter schools must comply with this constitutional mandate and must not charge tuition (California Education Code §47605).

The requirement of parent participation at Discovery Charter School does not violate the provision of California Constitution, Article IX, section 5, because it does not impose a financial burden on the right to an education. Discovery Charter School requires families of students enrolled in the school to contribute a certain amount of time volunteering at the school or otherwise supporting school activities. This commitment is not tantamount to charging tuition, a fee, or any form of financial burden. Moreover, the policies of Discovery Charter School regarding parent participation accommodate each family’s schedule and circumstances.

The California Legislature Requires Charter Schools To Provide A Free Education By Specifying That Charter Schools Cannot Charge Tuition.

The California Constitution vests the Legislature with sweeping and comprehensive powers in relation to our public schools, including broad discretion to determine the types of programs and services which further the purposes of education. (*Hall v. City of Taft* (1956) 47 Cal. 2d 177, 179.) When scrutinizing the constitutionality of a statute the court starts with the premise of validity, resolving all doubts in favor of the Legislature’s action. (*Arcadia Unified School Dist. V. State Dept. of Education* (1992) 2 Cal. 4th 251, 260) This presumption of constitutionality is particularly appropriate where the Legislature has enacted a statute with the pertinent constitutional prescriptions in mind. (*Wilson v. State Board of Education* (1999) 75 Cal. App. 4th 1125, 1134.) In order to declare such a statute void, it is not enough to suggest that in some future hypothetical situation constitutional problems may possibly arise as to the particular application of the statute—it must be demonstrated that the act’s provisions inevitably pose a present total and fatal conflict with applicable constitutional prohibitions. (*Pacific Legal Foundation v. Brown* (1981) 29 Cal. 3d 168, 180.)

The California Supreme Court has upheld the provisions of the California Education Code which preclude charter schools from charging tuition and has declared this statutory restriction to be constitutional. (*Wilson v. State Board of Education*, supra.) The Legislature has limited the financial burden placed on families attending charter schools to disallowing tuition, not volunteering time at school. In fact, the only case directly on point in California upheld a parent participation requirement in a charter school, and the court noted the latitude given to charter schools in creating an educational plan. (*Ferrhira v. Pioneer Union Elementary School District*, Superior Court of Kings County, Case No. 94C2724).

The provisions of charter law which pertain to the right to a free education must be presumed constitutional since the California Legislature specifically included the prescription that charter schools cannot charge tuition in the statute. (California Education Code §47605, *Wilson v. State Board of Education*, supra.) In the Superintendent's Report and Recommendation Regarding Discovery Charter School Petition, the Moreland School District suggests, hypothetically, that in the District's opinion, "a court would have no difficulty finding that the required (parent participation) is equivalent to the payment of money for tuition." This suggestion that a court might hypothetically make such a finding is speculative, without any legal authority, and contrary to the standard set forth by the California Supreme Court which requires a demonstration that required parent participation presents a present, total and fatal conflict with constitutional prohibitions. (*Pacific Legal Foundation v. Brown*, supra.)

Further, the Legislature requires a charter school to specifically define in its charter petition how parent participation will be effectuated, thereby specifically recognizing the importance of parent participation in education. (See Education Code § 47605(b)(5)(D).) Thus the Charter School's proposed policy is substantively related to the important government objective of parent participation in charter schools as expressed by statute.

The Legislature Has Authorized Charter Schools To Establish Admission Requirements.

The Legislature specifically allows charter schools to establish admission requirements. (California Education Code §47605 (b)(5)(H).) In the case of Discovery Charter School, attending an orientation and signing a Parent Participation Agreement are admission requirements, as explicitly allowed by the Legislature for charter schools. As the court stated in *California Teachers Assn. V. Board of Trustees* (1978) 82 Cal. App. 3d 249, 253-254, "The public school system is the system of schools which the Constitution requires the Legislature to provide...However the curriculum and courses of study are not constitutionally prescribed." (*Id.* at 255). The same could be said for such functions as educational focus, teaching methods, school operations, furnishing of textbooks and the like. (*Wilson v. State Board of Education* supra, at 1135). Parent participation in the classroom and at other levels of the school's operation is integral to Discovery Charter School's educational focus and teaching methods, i.e., developmentally appropriate, multi-age, small group instruction as stated in its mission: Through strong family involvement, community learning, and developmentally based teaching, Discovery Charter School will support the 'whole' child and develop lifelong learners prepared to meet the challenges of the future.

As the court noted in *Wilson v. State Board of Education*, supra, the Charter Schools Act (California Education Code §47600 et. seq.) represents a valid exercise of legislative discretion aimed at furthering the purposes of education. Indeed, it bears underscoring that charter schools are strictly creatures of statute. From how charter schools come into being, to who attends and who can teach, to how they are governed and structured, to funding, accountability, and evaluation—the Legislature has plotted all aspects of their existence. This statutory plan provides flexibility in curriculum, admission requirements and preferences.

The California State Board Of Education Supports Parent Participation In Public Schools.

The importance of parent participation in education is recognized by the California State Board of Education. In Policy #89-01, the State Board enumerates the benefits of parent participation and declares that "Parent involvement is fundamental to a healthy system of public education." This policy also states "Involving parents in supporting their children's education at home is not enough. To ensure the quality of schools as institutions serving the community, parents must be involved at all levels in the schools." California State Board of Education Policy #89-01 1994. In the California Department of Education's Handbook of Education Information it states: "California has been an unparalleled leader in advocating partnerships between families, teachers, and schools to help children succeed academically and develop as socially, physically, and emotionally healthy individuals." (CA Dept of Education – Handbook of Education Information-Fact Book 2005.)

State And Federal Legislation Strongly Encourages Parent Participation In Education.

State and Federal legislation regarding school reform emphasize the value of family involvement to improve student achievement. The California Legislature passed the first parental involvement law in the nation in 1990 (California Education Code, Chapter 16), requiring all school districts to adopt a parental involvement policy. The Family-School Partnership Act of 1994, as amended in 1997, allows parents, grandparents, and guardians to take up to 40 hours of leave time from work to participate in their child's day care through twelfth-grade educational activities. The No Child Left Behind Act (NCLB) of 2001 requires the adoption of district and site-level family involvement policies to support students in attaining high academic standards and family-school compacts that express the shared responsibilities of schools and parents as partners in students' success. In fact, there is growing support for the requirement of parent participation in public schools as demonstrated by states encouraging contracts between schools and parents which require parents to devote time to volunteer at their child's school. (See Colorado Department of Education, Parent Student Relations Narrative; and RCWA 28a.320.140.)

Discovery Charter School's Parent Participation Requirement Furthers The Goals Of Charter School Legislation.

The California Legislature set forth explicit goals when it created charter schools. These are: (1) improve pupil learning; (2) increase learning opportunities, especially for low-achieving students; (3) encourage use of different and innovative teaching methods; (4) create new professional opportunities for teachers, including being responsible for the school site learning program; (5) provide parents and students with more choices in the public school system; and (6) holding schools accountable for measurable pupil outcomes and providing a way to change from rule-based to performance-based accountability systems. (California Education Code § 47601.) Indeed, the Charter Schools Act specifically requires a charter school petitioner to describe "the process to be followed by the school to *ensure parental involvement*." (Education Code § 47605(b)(5)(D).)

Parent participation in a charter school is an important factor in achieving the goals stated by the Legislature. Parent participation has been demonstrated to improve pupil learning. (SRI

International Evaluation of Charter School Effectiveness (1997); Women's City Club of New York Snapshot of New York Charter Schools (2002); State Board of Education Policy 89-01.) Parent involvement and training increases learning opportunities, especially for low-achieving students. As stated by the State Department of Education, "Children from low-income and culturally and racially diverse families have the most to gain when schools involve parents. The extent of parent involvement in a child's education is more important to student success than family income or education." Policy #89-01. At Discovery Charter School, parents will be trained to provide small group instruction (i.e., 1:6 adult to student ratio) in every classroom in all subjects in kindergarten through eighth grade. This will allow for individual learning rates to be addressed, students' challenges to be identified, and remedial instruction to be implemented quickly for each student. Parent participation encourages the use of different and innovative teaching methods through developmental, multi-age classrooms, small group instruction, enhanced curriculum, more field trips, and increased support for teachers. Professional opportunities for teachers are improved through parent participation, allowing teachers to implement small group centers and multiple approaches to instruction. Also, the Discovery Charter School program involves parents in every aspect of the school.

Parent participation in every aspect of the school will provide more choice in the public school system, since this type of program is not offered at any other school in the District. Parent participation promotes accountability by identifying and responding to academic problems quickly and comprehensively, addressing every student's area of need. Parent participation facilitates a change from a rule-based to performance-based accountability system by lowering adult-student ratios and ensuring improved student conduct, thereby shifting the primary focus of students' energy to performance and growth, respect for self and others, and responsibility rather than compliance with arbitrary rules. (Henderson, Anne T. and Nancy Berla, *A New Generation of Evidence: The Family is Critical to Student Achievement*. National Committee for Citizens in Education.)

Conclusion

In conclusion, the California Legislature has established that the requirement of charter schools to provide a free education under the California Constitution means that charter schools cannot charge tuition. The California Supreme Court has interpreted this to prohibit the imposition of a financial burden on those attending charter schools. Nothing in the Constitution, the statutory framework, or the case law defines volunteering time as a financial burden. Instead, the law, State Board of Education precedent, and educational research support parental involvement in all aspects of education and encourage all schools to include this in their program. Parent participation is a fundamental component of Discovery Charter School's specialized program of developmentally appropriate, small-group instruction and those who choose the program agree to volunteer to help carryout the specialized program.

ADDENDUM I

SECTIONS OF THE NEW WEST CHARTER MIDDLE SCHOOL CHARTER CONCERNING PARENT PARTICIPATION

APPROVED BY THE CALIFORNIA STATE BOARD OF EDUCATION
DECEMBER 2001

NEW WEST CHARTER MIDDLE SCHOOL

[Emphasis added in bold italics]

[Page 26]

g. Parental Involvement

The Founders of New West Charter Middle School believe that close, strong, on-going collaboration between parents and educators is the single most important determinant of student success. To that end, each parent of a New West student will be encouraged to commit time and effort to the school. Parents will be asked to contribute their personal and professional skills on a volunteer basis in the classroom to achieve New West's goal of personalized instruction. The goal is to have home, school, and community viewed as three facets of a single, seamless educational value system. ***To this end, New West will have an agreement that outlines what is expected of parents with respect to participating in their children's education*** (see *General Provisions of the Charter: Section XIII.D.5.c. Home-School Contract*).

[Pages 56-58]

c. Home-School Contract

A central tenet of New West Charter Middle School's philosophy is that students are best able to reach their full potential when there is a high level of involvement by their parents in their education. Moreover, research has shown that stakeholder involvement is important to the success of a program and to the satisfaction of the participants. Accordingly, part of the school's educational plan will be an agreement between parents and the school — known as the Home-School Contract — whose intent is to encourage parental involvement and cooperation that will, in turn, ensure success of the school's educational program. Such a contract is designed to empower parents with respect to their children's education by strengthening the partnership among parents, students, and teachers.

Another tenet of the school's philosophy is that parents choose to send their children to New West because they have high expectations of the school and the benefits that they and their children will receive. In turn, the school has high expectations of parents to contribute to the team effort needed to fulfill those expectations. Excellence in a charter school cannot be accomplished nor maintained without the active participation of the parents of enrolled students.

A third tenet of the school's philosophy regarding parental involvement is that diversity in the parent population is a great strength that improves the educational program for all. Parents have different philosophies and approaches to their involvement in their children's education outside of school. Likewise, parents may contribute in many different ways to the collective responsibility of running a charter school and making its educational program a success. Recognizing that each parent, like each child, is unique in terms of background, experience, and ability, parents are asked to contribute to the school's success by volunteering their skills, time, and resources to the extent that they are able above the minimum requirements of the Home-School Contract.

The Home-School Contract, which is to be signed at the beginning of each year or whenever a new student is enrolled, shall include for each family the following requirements of the parent(s) or the guardian(s) who have children enrolled in New West:

- Read the Charter to understand the educational plan of the school, the school's operation, and the roles, rights, and responsibilities of parents and their children.
- Attend a mandatory orientation meeting to learn about charter schools, the school's educational program, the Home-School Contract, and ways in which parents can contribute to the success of both their child and the school.
- Complete and return all forms, questionnaires, and other requests for information that may be required by the school as approved by the Governance Council.
- Ensure the completion of homework and class projects.
- Reinforce at home the importance of education on a daily basis and discuss with each child what was taught at school.
- Assure that each child arrives at school on time, dressed appropriately, and ready to learn.
- Understand and reinforce the Student Conduct Code.
- Attend two parent-teacher conferences each year for each child.
- Attend Back-to-School Night and Open House each year.
- Keep informed about the school by reading the school's newsletter and reading the materials distributed in the weekly folders sent home with each student.
- ***Attend at least two parent education evenings each year that deal with the school's curriculum, child development, parenting skills, and other topics relevant the education of their children.***
- Participate as a family in extracurricular school events such as book fairs, plays, talent shows, festivals, and fund raising activities.
- ***Volunteer at least eight hours per semester during school hours, weekends, or evenings to participate in a school project, event, or classroom activity in addition to the other requirements of the contract.***
- Self-report their compliance with the terms of the contract using the forms provided by the school.

Agreement to the contract by parents (or guardians) shall be one of the terms of admission and enrollment each year for students who want to attend New West.

The Home-School Contract shall be made available to the parents of prospective students as part of the admission application packet so that students and parents can make informed judgments whether they can fulfill the terms of the agreement.

Parents of new students must return the signed contract with the other enrollment forms. For returning students, the Home-School Contract shall be made available to parents in sufficient time for the contract to be signed and returned prior to the first day of each school year. The contract shall include a form, known as the "Volunteer Sheet," on which parents will specify their areas of interest and the ways they intend to fulfill the volunteer requirement. The back of the signature page included in each student's weekly folder shall be printed with a form that allows parents to monitor voluntarily their progress in fulfilling the provisions of the Home-School Contract.

The Parent Resources Committee of the Governance Council shall be responsible for administering the Home-School Contract, counseling parents who may be substantially non-compliant, and considering exceptions in the form of reduced requirements for parents whose particular circumstances may include transportation difficulties, single-parent households, financial hardship, physical disability, employment, or other special situations. Policies regarding noncompliance with and exceptions to the Home-School Contract shall be equally and consistently applied to all parents in a manner that is nondiscriminatory, provides due process protections, and preserves the privacy and confidentiality rights of students and parents. Disputes involving the Home-School Contract shall be mediated first by the Parent Resources Committee before involving the school's dispute resolution procedures.

[Pages 67-70]

H. Admission and Enrollment

The Governance Council shall determine all policies, processes, and procedures governing application, admission, and enrollment at New West Charter Middle School. All students attending New West must follow the application, admission, and enrollment policies of the school. A student who is already enrolled in New West shall have the right to continue attending the school until the student graduates from grade 8 unless the student voluntarily withdraws, is expelled, or is required to withdraw for one of the reasons cited under *General Provisions of the Charter. Section XIII.J. Discipline Policy including Suspension or Expulsion of Students.*

The application packet for admission to New West Charter Middle School shall include information that allows students and parents to be informed about the school's operation as a charter school, its educational programs, the academic and behavioral expectations of students, and the rights and responsibilities of students and parents who wish to become part of the New West family. The application packet shall include:

- A brief description of what charter schools are and how they differ from regular public schools.
- New West's *Mission Statement* and a summary of the school's educational philosophy (see *General Provisions of the Charter: Section XIII.A.4*).
- Information about New West's Director/Principal, the school's instructional staff, and members of the Governance Council.
- A description of New West's educational program including a school calendar, daily schedule, core curriculum, enrichment and extracurricular programs, attendance expectations, grading policy, testing and evaluation procedures, promotion and retention policy, and graduation standards (exit outcomes) (see *General Provisions of the Charter. Section XIII.A. Educational Program*).
- An overview of the academic performance of students who have attended New West (e.g., Stanford 9 and API results).

- A description of New West's shared governance structure and how the school encourages parental involvement (see *General Provisions of the Charter: Section XIII.D. Governance Structure and Section XIII.D.5. Parental Involvement*).
- **A copy of the Home-School Contract with a prominent statement that exceptions to the provisions of the contract may be allowed on a case-by-case basis in the form of reduced requirements for parents whose particular circumstances may include transportation difficulties, single-parent households, financial hardship, physical disability, employment, or other special situations** (see *General Provisions of the Charter: Section XIII.D.5.c*).
- A listing of the rights and responsibilities of New West parents and teachers (see *General Provisions of the Charter: Section XIV. Educational Rights and Responsibilities*).
- **Descriptions of admission criteria, admission and enrollment preferences, admission lottery and admission priority, conditions of enrollment, and consequences of misrepresenting admission and enrollment information** (see following sections).
- A prominent statement that New West operates under oversight of the SBE but is exempt from most laws and regulations governing public schools (e.g., building safety and minimum school day requirements).
- A prominent statement that the school district in which a student resides (not the SBE) has the responsibility for the public education of a student who voluntarily withdraws or is expelled from New West.

1. School Capacity

The Governance Council shall have the authority, consistent with its Charter and any other conditions of approval required by the SBE, to determine the size and grade-level breakdown of the student body at New West Charter Middle School. The determination of school capacity shall be based on the school's academic program, the school's fiscal viability, the educational needs of currently enrolled students, the capacity of the school site, and the level of interest shown by students who want to attend the school. As currently planned, the enrollment at New West shall be no more than 600 students but the Governance Council shall have the right to determine the number of students that can be accommodated at its school site on a year-by-year and grade-by-grade basis (see Table 2 under *General Provisions of the Charter: Section VII. Opening of the School*). Determinations of class size and student:teacher ratios shall be based only on credentialed teachers.

2. Admission Criteria

New West Charter Middle School shall be open to all students at the appropriate grade levels (grades 6-8). New West shall be open to all students without regard for the place of residence of students or parents within California. Admission to New West shall be determined solely by the preferences given in the next section. **The only requirement is that students wishing to attend New West must follow the school's admission procedures with respect to completing applications and enrollment forms by the announced deadlines.** Application deadlines, which will normally be in April for admission the following September, shall be coordinated with local public and private schools to give students and their parents opportunity to consider the full range of educational opportunities available to them. Late applications for admission shall result in loss of admission and enrollment preferences as listed below. Late return of enrollment packets following notification of admission shall result in loss of place on the admission priority list discussed below.

There shall be no admission criteria, testing, or other evaluation required of any applicant. New West shall not charge an application fee nor shall it charge tuition [Education Code 47605(d)(1)]. ***New West shall not require or solicit any monetary contribution, pledge, or promise as a condition for application, admission, enrollment, or participation in any of the school's regular educational activities.*** New West shall be nonsectarian in its admission and enrollment policies and shall not discriminate against any student on the basis of ethnicity, national origin, gender, or disability [Education Code 47605(d)(1)]. ***New West does have certain requirements of parents and students that must be satisfied when a student is enrolled in the school*** (see *General Provisions of the Charter: Section XIII.H.5. Conditions of Enrollment*).

3. Admission and Enrollment Preferences

New West Charter Middle School shall admit and enroll all students who wish to attend the school provided that the school's capacity at each grade level is not exceeded [Education Code 47605(d)(2)(A)]. Classes at each grade level will be filled according to the following order of preferences for students who are either continuing enrollment or being admitted for the first time (listed in declining order of priority) [Education Code 47605(d)(2)(B)]:

- Presently enrolled students who plan to continue attending the school.
- A limited number of students who are the children of Founders who worked to open the school. The conditions for attaining Founder status and the maximum number of Founders' children enrolled at any time are specified in *General Provisions of the Charter: Section X. School Founders*.
- Students with siblings who will be continuing their enrollment at the school or who graduated from the school in the last two years.
- Students participating in the LAUSD Permits with Transportation (PWT) program provided that the LAUSD arranges and pays for transportation for the PWT students who wish to attend New West. The number of PWT students shall not exceed 33% of the school's total enrollment at any time unless there are open seats in which case New West shall accept PWT students beyond the 33% mark until the school reaches its attendance capacity. PWT students must follow the normal application and enrollment procedures by the announced deadlines.
- All other students who wish to attend the school.

4. Admission Lottery and Admission Priority

If the number of students who wish to attend New West Charter Middle School exceeds the school's capacity, then the admission of new students shall be determined solely by a public random drawing for each grade level with consideration given for the admission preferences listed in the previous section [Education Code 47605(d)(2)(B)].

New West shall maintain an admission priority list of the order in which applicants to each grade level in each admission preference category were selected in the admission lottery. The order of admission of students at any time during a school year shall be based solely on the order of applicants on the admission priority list. Admission shall be based solely on a first-come first-served basis if New West determines that space still exists at any grade level after the admission priority list has been exhausted.

5. Conditions of Enrollment

New West Charter Middle School shall have the following requirements that must be

met by each student and/or their family before beginning classes at the school:

- Completed enrollment forms including emergency information cards.
- Records documenting immunizations required by law including tuberculosis testing.
- **Home-School Contract signed by the student's parents (see General Provisions of the Charter: Section XIII.D.5.c).**

⁷ Preference for a limited number of children of founders of a school is an acceptable exception to lottery admissions (see Nonregulatory Guidance: Public Charter Schools, Office of Elementary and Secondary Education, U.S. Department of Education, December 2000, p. 5).

- School records and test results indicating that the student has graduated from grade 5, 6, or 7, depending on the grade the student will be entering at New West.

6. Misrepresentation of Admission and Enrollment Information

New West Charter Middle School shall have the right to require the immediate withdrawal from school of any student whose parents misrepresent their legal status as guardians, their place of residence, or any other material information on any school document, including but not limited to admission and enrollment forms, when such misrepresentations, whether intentional or not, provide some unfair advantage in gaining admission to New West.

[Pages 73-75]

J. Discipline Policy including Suspension or Expulsion of Students

New West Charter Middle School shall develop, periodically review, and enforce a comprehensive set of student discipline policies. The Governance Council shall approve the discipline policies, and any material revisions to them, before they take effect. The policies, which shall be in place before the school opens, will be printed and distributed as part of the school's student handbook. The policies shall clearly describe the school's expectations of its students regarding attendance, school behavior, dress, mutual respect, substance abuse, violence, safety, and work habits. Students and their parents shall be required to verify that they have reviewed and understood the policies at the beginning of each school year.

New West's discipline policy for students shall involve both zero tolerance offenses and progressive disciplinary consequences including, but not limited to, verbal warnings, written warnings, loss of privileges, isolation in a supervised area, detention during or after school, notices to parents by telephone or letter, parent conferences, suspension, expulsion, and required withdrawal from the school. Student misconduct includes the following conduct when the conduct is related to school activity or attendance regardless of when the misconduct occurs and regardless of whether the conduct occurs on or off the school's grounds (the usual consequences of student misconduct are given in parentheses):

- Threatened, attempted, or caused physical injury to another person (zero tolerance leading to immediate suspension followed by expulsion).
- Willfully used force or violence against another person except in self-defense (zero tolerance leading to immediate suspension followed by expulsion).
- Harassment, hate crimes, or other acts based on sex, race, or ethnicity (zero tolerance leading to immediate suspension followed by expulsion).

- Possessed, sold, or furnished a firearm, knife, explosive, or other dangerous weapon (zero tolerance leading to immediate suspension followed by expulsion).
- Possessed, used, sold, furnished, or been under the influence of any controlled substance, alcoholic beverage, or other intoxicant of any kind (zero tolerance leading to immediate suspension followed by expulsion).
- Stolen, attempted to steal, received, or otherwise been involved in the theft of personal or school property (zero tolerance leading to immediate suspension).
- Vandalized or otherwise purposefully damaged or destroyed school property (progressive discipline, suspension, expulsion, or required withdrawal from the school depending on seriousness and duration of misconduct).
- Committed an obscene act or engaged in habitual profanity or vulgarity (progressive discipline, suspension, expulsion, or required withdrawal from the school depending on seriousness and duration of misconduct).
- Disrupted school activities or willfully defied the valid authority of school personnel (progressive discipline, suspension, or required withdrawal from the school depending on seriousness and duration of misconduct).
- Failure to abide by the terms of a written remediation agreement drafted in response to repeated behavioral problems (suspension or required withdrawal from the school).
- Violation of the student honor code with respect to academic activities (progressive discipline, suspension, or required withdrawal from New West depending on seriousness and duration of misconduct).

The discipline policies of New West Charter Middle School shall provide students and their parents with an opportunity for due process. Due process shall include the following:

- A fair, impartial investigation of alleged student misconduct
- Written notice to the student's parents when discipline involves more than a verbal warning.
- An opportunity for the student and the student's parents to respond to charges of misconduct and subsequent disciplinary measures.
- An opportunity for the student and the student's parents to work cooperatively with the school to formulate consequences and corrective actions appropriate for the misconduct.
- The right of parents to request intervention by the Student Success Committee when chronic disciplinary problems are impeding a student's school performance.
- Access to the school's procedures for resolving disputes arising within the school including a hearing before the Principal/Director, appeal to the Executive Committee, and appeal to the Governance Council, whose decision shall be final.

Any student who repeatedly violates the school's behavioral expectations shall be required to attend a meeting with the school's staff and the student's parents. The school shall prepare a specific, written remediation agreement outlining future student conduct expectations, timelines, and consequences for failure to meet the expectations which may include, but are not limited to, suspension, expulsion, or required withdrawal from the school.

The Director/Principal may, pursuant to the school's adopted policies, discipline, and ultimately suspend, or expel, or require withdrawal from the school for students who fail to comply with the terms of a remediation agreement.

New West's discipline policy regarding suspension, expulsion, and required withdrawal from the school shall include the following steps:

- Notification of the Director/Principal by school staff that a student has had conduct warranting suspension/expulsion/required withdrawal (and immediate notification of law enforcement agencies if there is danger to others).
- Immediate removal of the offending student to the school office or other supervised area.
- Preliminary determination by the Director/Principal that a student should be suspended/expelled/required to withdraw from the school.
- Immediate notification of the parents to remove the student from the school grounds and not return until notified of the student's right to return.
- Written notice, within two days of the Director/Principal's preliminary determination, to the student and her/his parents regarding the reason for the suspension/expulsion/ required withdrawal, the school's disciplinary procedures, due process rights, and the date, time, and place of the suspension/expulsion hearing.
- A suspension/expulsion hearing, within one week of the written notice, before a three person student conduct panel chosen by the chair of the Student Success Committee from members of the committee and attended by the student, the student's parents, and other's who may be involved in the event(s) with an opportunity to present evidence and hear witnesses.
- A written decision that describes the course of action chosen by the student conduct panel and that is communicated to the student through the student's parents, copied to the Governance Council, and placed in the student's file.
- Appeal rights to the rights to the Executive Committee and the Governance Council as allowed by the school's internal dispute resolution procedure (see *General Provisions of the Charter. Section XIII.N.1. Disputes Arising within the School*).

A student who is expelled or required to withdraw from New West loses her/his right to attend the school as a continuing student. If a student is expelled or required to withdraw from the school, then New West Charter Middle School shall immediately notify the school district in which the student resides. New West shall work cooperatively with that school district to assist with the educational placement of the student in an appropriate setting as fast as is practical given the particular circumstances of the student. However, the school district of residence, not New West or the SBE, has full responsibility for the continued public education of the student. New West shall report to schools where the student might attend all incidents of violent behavior, criminal misconduct, and other serious offenses that are a threat to students or school personnel. The school will notify the SBE of any expulsions or required withdrawals and will include suspension, expulsion, and required withdrawal data in its annual performance report.

Special procedures apply to disciplining a student with disabilities. In a matter involving a student who has an IEP, New West shall follow legally mandated procedures for student discipline, suspension, expulsion, and required withdrawal from the school. In particular, a student with an IEP has the right to have the IEP team review the student's current educational program and recommend a behavior support plan to remedy discipline problems within the context of the student's special needs. In general, New West may suspend, expel, or require withdrawal of the student only if an IEP team meeting is held, the team determines that the misconduct was not caused by, or was not a direct manifestation of, the pupil's identified disability, and the team determines that the pupil had been appropriately placed at the time the misconduct occurred. The IEP team shall be responsible for determining alternative education settings that enable the student to continue to participate in general education, although in another setting, and to receive services that enable the student to meet the goals of his/her IEP while addressing the behavior that is the subject of the discipline.

Discovery Charter School
P.O. Box 1484
Campbell, CA 95009-1484
9 November 2005

Mrs. Lori Booroojian, President, Board of Trustees
Dr. Les Adelson, Superintendent
Moreland School District
4711 Campbell Avenue
San Jose, CA 95130

Re: Discovery Charter School Petition
Response to Issues Raised at the Public Hearing of 18 October 2005

Dear Mrs. Booroojian and Dr. Adelson,

On behalf of the board of directors of Discovery Charter School, we submit the attached Response to Board Concerns to address concerns raised during the public hearing of 18 October 2005.

We would also like to follow up on our previous requests dated 26 October and 1 November for documents and assurances.

We briefly summarize our outstanding requests as follows:

1. A *blank* copy of the charter school evaluation matrix the district is using to evaluate the charter petition.
2. A copy of the administration's charter school evaluation matrix when that has been completed.
3. A copy of the staff recommendation to the board with assurances that the petitioners will receive a copy of the staff recommendation as soon as it is given to the Board.
4. Assurances that the charter petitioners will have 10-15 minutes to formally address the staff recommendation if that is needed.

Thank you very much for your attention to this matter. Please do not hesitate to contact us if you have any further questions or concerns.

Sincerely,



Barbara Eagle
President

cc: Moreland School Board

Received on behalf of the Moreland School District:

Signature

Date

RESPONSE TO BOARD CONCERNS

GOVERNANCE STRUCTURE

Response to the Board's concern that parents could be excluded from the governance of the school.

It is the intent of DCS that at least one third of the charter school's board be comprised of parents. The bylaws attached to the petition are draft bylaws and will be modified to conform to this intent. The research conducted by the DCS Governance Committee reveals that a primary cause for failure of charter schools is having a parent-driven board that focuses on short-term issues and micromanages the operations of the school. Many charter schools prohibit parents of current students from even serving on the board. Summit Preparatory High School in Redwood City is one example. However, the founders of DCS believe that parent involvement is an important component to the governance of DCS. Parents who interact with teachers and students on a regular basis have a unique understanding of the school's vision and what is required to make the school a success. This perspective is invaluable to the Board's decisions and can only be provided by parents who actively participate in the program. Through a collaboration of parents who intimately know the program and business and education professionals DCS will have a board that will guarantee the long-term success of the school.

Additionally, the Program Site Council is a way for parents to be involved with School governance on a daily basis, as specified in the petition on page 89.

Response to the Board's concern that the bylaws specify that no more than 1/3 of the Charter School Board shall be parents and that this provision would make the Charter in violation of its bylaws as soon as the petition is approved.

The bylaws attached to the charter petition are a draft set of the bylaws for the School Board to be adopted once the school is operative. The currently operative bylaws for the charter development board were not included in the attachments of the petition and contain no such limitation.

Once the petition is approved, the development board will seek board members to serve on the Charter School Board. We plan for several members of the charter development board to serve on the School Board once the school is operational, which is designed to ensure that the intent of the founders will be represented and there will be a smooth transition.

Response to the Board's concern that it will be difficult to attract non-interested parties to serve on the Charter School Board.

We do not see this as a difficult task. There are many professionals who believe, unequivocally, in the value of public education and are dedicated to serving children. We currently have four non-interested parties willing to serve on our Charter School Board and we haven't even begun our board recruitment process. Moreover, charter school experience throughout California shows that securing board members that are not currently parents of students in the school can be easily accomplished.

Response to the Board's concern that the petition does not specify that the Charter School Board will comply with the Brown Act.

The DCS Board will comply with the Brown Act. The charter petition states (page 2) that the DCS Board will comply with all applicable laws, which includes the Brown Act.

Response to the Board's concern that the bylaws specify that the board may hold teleconferences in possible violation of the Brown Act.

The Brown Act does permit teleconferencing. California Government Code 549539 (b) permits the use of teleconferencing:

“(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during teleconferenced meeting shall be by roll call.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) The term "video teleconference" shall mean a system which provides for both audio and visual participation between all members of the legislative body and the public attending a meeting or hearing at any video teleconference location.”

HUMAN RESOURCES

Response to the Board's concern that the petition does not give specific detail of the employees' rights upon leaving the employment of the school district to work at the charter and of any rights of return to the school district.

The petition does state the required rights of the employee as required by charter law. An employee's return rights are subject to yearly change through revisions to the Education Code as well as changes in the collective bargaining agreement between the employee's representative

and the District. Consequently, in all cases this section of the charter cross-references the District policies. This is consistent with charters approved across the state and all State Board of Education charters.

The rights of employees who come to the charter from other districts to return to those districts depend on the policies and collective bargaining rights of those districts.

Response to the Board's concern whether the teachers who signed the petition knew what the terms of employment at the charter school would be.

The petitioners have been meeting with interested teachers throughout the process of drafting the petition. Teachers reviewed the petition and were made aware of the following terms of employment:

1. Teachers would be employed by the Charter School and not by the District. See petition page 30.
2. Teachers would be hired through an open recruitment process. See petition page 30.
3. Teachers would be individually contracted. See petition page 30.
4. Teachers would participate in the State Teachers Retirement System. See petition page 30.
5. Teachers would receive competitive compensation packages including health, dental, and vision insurance coverage. See petition page 29.
6. Employment policies and procedures would be finalized prior to the recruitment of teachers. See petition page 30.

In signing the petition, the teachers were informed that their signatures indicated that they were "meaningfully interested" in teaching at the charter school, that their signature was not binding, and did not guarantee them employment with the charter school.

Response to the Board's concern that if the Charter School is an "at-will" employer then why does the employment development plan refer to a probationary period.

The employees of DCS will be employed pursuant to a contract – they will not be "at will" employees. Therefore, employees will be promoted, disciplined or dismissed pursuant to the terms of their contract. Any statements to the contrary made by the petitioners at the hearing on this petition were a mistake and should be disregarded by the Board in considering this petition.

The petition specifies that our teachers will be individually contracted and that discipline and dismissal procedures will be developed. As is standard in business practices, our employees will serve a probationary period. Once an employee has passed the probationary period, discipline and dismissal procedures would apply towards the terms of their employment.

Response to the Board's concern that the Executive Director is not required to have a business degree.

The charter specifies (page 27) that employees should possess the personal characteristics, knowledge base, and/or relevant experiences in the responsibilities and qualifications identified in the posted job description as determined by the School. The Executive Director job description (page 95) specifies the minimum employment standards of the Executive Director

position. Candidates must possess a California Administrative Credential and possess knowledge, skills, and abilities in managing personnel, budgets, and fiscal control procedures. The California Administrative Credential authorizes the holder to manage school site, district, or county level fiscal services; therefore a specific degree in business is not required.

Our Human Resources committee conducted an extensive job analysis prior to the development of this job description. We consulted with several charter Directors to identify the essential functions of our Executive Director position and the required skills and abilities needed to carry out the functions of the job.

ADMISSIONS

Response to the Board's concern that requiring parents to sign a parent participation agreement as a condition of enrollment at Discovery Charter School might not be permitted under the law.

The Board of Trustees expressed the concern that based on some letters written by the ACLU that such a requirement would be illegal. The ACLU does not set legal precedent by issuing opinion letters. Moreover, the ACLU was addressing an entirely different issue. The issue addressed by the ACLU was that it would be illegal to force parents of a neighborhood school to involuntarily work at their child's school. In the case of DCS, all parents would make a choice to attend and would willingly agree to support the school's programs. There is simply no legal authority that it is a violation of the California Constitutional guarantee of a free public education for parents to willingly agree to participate in their child's education. No legislative or judicial body has determined that a parent participation agreement is in violation of the law. Instead, California law authorizes charter schools to have admission requirements. Signing the parent participation agreement is just that, an admission requirement.

In the seminal case on this issue, the California Supreme Court stated: "In guaranteeing 'free' public schools, Article IX, section 5 fixes the precise extent of the financial burden which may be imposed on the right to an education - none." *Hartzell v. Connell* (1984) 35 Cal.3d 911. Required parent participation does not impose a financial burden on families. Each family makes a voluntary choice to send their child to DCS knowing that there is a parent participation requirement. Therefore, their fulfillment of the parent participation requirement is voluntary rather than forced, and thus not a *financial* burden.

Furthermore, there will be sufficient flexibility so that fulfilling the parent participation requirement will not interfere with a person's employment. Each family will agree to volunteer a certain number of hours per week in support of the school. This time can be spent either in the classroom, before or after school, or in other school-wide activities. A parent who cannot make a scheduled volunteer time will have the option of switching schedules with another volunteer. They can also make arrangements to make up their time. Thus, the parent participation requirement will not pose a financial burden because it will not interfere with a parent's employment.

The Charter School will have a process to review "extraordinary" cases where a parent cannot meet the obligation.

Response to the Board's question whether the school will admit students whose parents do not sign the parent agreement.

As stated in the charter (p. 34), signing the parent agreement is a condition for enrollment. Mr. Givens misspoke on this point at the hearing. As stated in the petition, admission to DCS requires a commitment from the parents to the mission and vision of the School. An integral part of the program is the involvement of parents in the school community. Each family will make an informed decision to choose to attend the school based on its program philosophy and admission will not be based on the proximity of the school location to the student's residence. DCS will strive to ensure that parents can participate taking into consideration the constraints of family, work, and other commitments outside of DCS. We are willing to work with families and we do not wish to exclude anyone who believes in the School's philosophy and willingly agrees to support it. Any statement made to the contrary at the hearing on this petition was a mistake and should be disregarded by the Board in its consideration of this petition.

Response to the Board's concern about admission preference for founders and insufficient admission preference for district students.

Virtually every charter school in this state provides an admission preference to founders. This is consistent with the letter and intent of charter law and is a practical necessity. Charter law requires that district students be given preference over non-district students, but does not require that district students be given first preference. Our charter gives preference to district students over non-district students as required by law but also gives preference to founders, siblings of current students, and children of paid employees. These are standard preferences allowed by most charter schools in the state and throughout the country and recognized as valid by the US Department of Education.

BUDGET PROJECTIONS

Response to the Board's concern that the petition did not make adequate provisions for facilities for out-of-district students.

First, based on our assumption of an enrollment of 350 students, 10% of whom are out-of-district students, the charter would have 35 out-of-district students, so it is unlikely that additional classrooms would be needed beyond those provided by the District for resident students. The reason for this is that whole rather than fractional classrooms must be provided on a class-level rather than aggregate basis, making it extremely unlikely that all or even many of the out-of-district students would be in the same class level such as to require an additional classroom; on the contrary, they would be spread out over most or all of the classrooms provided to district-resident students.

Response to the Board's concern that the budget does not include a required 3% cash reserve.

The cash reserve requirements required for district schools are not required for charter schools. In the charters approved by the State Board of Education, the State Board has recognized that requiring cash reserves is not realistic for charter schools in the first years of operation and has not required such reserves until the fifth year.

The base scenario submitted nevertheless has included a 2.5% designation for economic uncertainties to provide a financial cushion. The cash flow projections assume that *all* of this 2.5% designation is fully spent and show a positive month-end cash balance for all months except June of Year 1 (cash deficit of less than \$14,000), with month-end cash balances exceeding \$100,000 by the middle of Year 2. The Year 1 June cash deficit is the result of disbursement schedules and becomes positive the next month on the receipt of property tax revenues. The petitioners have already investigated options for obtaining up to \$100,000 in short-term cash flow loans secured by anticipated general block grant funding.

GENERAL CONCERNS EXPRESSED BY THE BOARD

Response to the Board's concern that having the Charter School will have a negative financial impact on the District.

Having a choice of programs in the district to meet the particular needs of families and children is an asset to the district. Keeping a viable and working educational alternative in the district is an attraction for families outside the district to move, transfer or take children out of private school to be in this program. There are families that moved to the district and took their children out of private school to be in the Discovery program. Forward-looking and innovative programs such as the Discovery program are a factor in the attractiveness of this area for home purchasers and thus have a positive effect on property values for those who already reside in our district. It is our hope that the Charter School will provide additional positive academic performance index (API) scores within the District and thus further elevating the real property values (thereby increasing the bonding capacity of the District).

It is important to note that bringing people into the district to attend the charter school has financial benefits for the district: the 1% supervisory fee results in approximately \$60 per new out-of-district student; the fee for facilities (assumed 2% of combined block grant) results in approximately \$120 per new out-of-district student; and an additional \$600 per new out-of-district student as the charter's share of the district's special education expenses.

Under the base scenario of 350 students the district would receive approximately \$260,000 in combined supervisory, facilities and special education fees in the first year of operation and increasing to \$370,000 per year by the fifth year.

Response to the Board's concern that given that the District already has parent participation in our schools, the Charter would not be offering a unique program.

Although "uniqueness" is not a criterion for denial of the charter, Discovery Charter School will be different from other schools in the district in many significant ways, including:

- (1) Offering a K-8 program which will provide consistency in the elementary and middle school environment, providing small-group individualized instruction in all classes through middle school, maintaining consistent expectations of behavior, citizenship and public service through middle school, and offering mentoring and career development opportunities to all K-8 students;
- (2) The Discovery Charter School program's parent participation component is distinctly different from parent participation at most neighborhood public schools. Teachers design their curriculum using consistent small group instruction facilitated by parents. Scheduled throughout the day there may be four to six parent volunteers in the classroom. Some will be doing special

enrichment activities such as; art, cooking, gardening, drama, and foreign language. Others will be leading small groups of children in math, literacy, literature circles, science, and writing. Parents play an important role school-wide role, not just in the classroom, but also on the playground, on field trips, as well as, providing clerical, and fundraising support. By doing so, there is greater support and supervision of safe, responsible and respectful student behavior, after-school opportunities, increased expectation and ability for community outreach, intervention for at-risk students, and increased support for ELL students and parents.

(3) Another important distinction of the Discovery program is the training that parents receive. Training classes are planned and conducted by teachers by grade level and subject area. This parent education provides parents with a better understanding of the curriculum, as well as effective teaching strategies and small group management skills. Parents also have the opportunity to observe teacher's instructing students. Teacher modeling provides ongoing reinforcement of instructional techniques; ways to extend activities; and, classroom management. This unified effort by the community has a far-reaching positive impact on children's learning. Parents take what they learn into the classroom, to their small groups, home to their own families, and beyond.

(4) Collaboration between administrators, teachers, students, families, and community creating a sense of ownership of and mutual responsibility for the school (local control);

(5) Flexibility in creating curriculum and employee practices (for example, the Charter School will have greater flexibility regarding its employment hiring, evaluation, and discipline practices than the district which is controlled by the Education Code);

(6) Financial accountability (all money raised at the site and attributable to the students attending the site remains at the site);

(7) Community building.

Response to the Board's concern whether the petition was available to parents to read at the time that they signed.

A copy of the petition was attached to each signature form, and parents were given an opportunity to read the petition.

Response to the Board's concern that since parent signatures were collected in June, and the petition was filed in September, whether the petition was altered in the interim such that the parents' signatures would no longer be valid.

The teachers and parents who signed the petition were informed that the petition could undergo some changes that would not materially change the nature of the petition. Between June and September, the petitioners were working on developing the school's financial projections and start-up grant application. Only non-material changes were made to the petition to improve readability.

Charter Petition

Discovery Charter School

P.O. Box 1484

Campbell, CA 95009-1484

~~15 December 2005 26 September 2005~~

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I. CHARTER SCHOOL INTENT AND CHARTER REQUIREMENTS

In 1992 the California Legislature enacted the Charter Schools Act of 1992. Section 47601 of the California Education Code states that:

It is the intent of the Legislature, in enacting this part, to provide opportunities for teachers, parents, pupils, and community members to establish and maintain schools that operate independently from the existing school district structure, as a method to accomplish all of the following:

- (a) Improve pupil learning.
- (b) Increase learning opportunities for all pupils, with special emphasis on expanded learning experiences for pupils who are identified as academically low achieving.
- (c) Encourage the use of different and innovative teaching methods.
- (d) Create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.
- (e) Provide parents and pupils with expanded choices in the types of educational opportunities that are available within the public school system.
- (f) Hold the schools established under this part accountable for meeting measurable pupil outcomes, and provide the schools with a method to change from rule-based to performance-based accountability systems.
- (g) Provide vigorous competition within the public school system to stimulate continual improvements in all public schools.

The Charter Schools Act (or "the Act") (Education Code Sections 47600 et seq.) requires each charter school to have a "charter" that outlines at least the sixteen (16) mandatory items of the Act. The following provisions of this charter coincide with the requirements of Section 47605 of the Act.

II. AFFIRMATIONS

In accordance with the Charter Schools Act, Discovery Charter School ("DCS") makes the following affirmations:

- DCS shall meet all statewide standards and conduct the student assessments required, pursuant to Education Code Section 60605, and any other statewide standards authorized in statute, or student assessments applicable to students in non-charter public schools.
- DCS shall be non-sectarian in its programs, admissions policies, employment practices, and all other operations.
- DCS shall not charge tuition.
- DCS shall admit all students who wish to attend the School, and who submit a timely application, unless the School receives a greater number of applications than there are spaces for students, in which case the applications will be processed in accordance with the Charter Schools Act and Section IX of this charter.
- DCS shall not discriminate on the basis of ethnicity, national origin, gender, or disability.
- DCS shall adhere to all provisions of federal law related to students with disabilities including, but not limited to, Section 504 of the Rehabilitation Act of 1974, Title II of the Americans with Disabilities Act of 1990, and the Individuals with Disabilities in Education Act.
- DCS shall meet all requirements for employment set forth in applicable provisions of law, including, but not limited to, credentials as necessary.
- DCS shall ensure that teachers in the School hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools are required to hold. As allowed by statute, flexibility will be given to non-core, non-college preparatory teachers.
- DCS shall at all times maintain all necessary and appropriate insurance coverage.
- DCS shall follow any and all other federal, state, and local laws and regulations that apply to the Charter School.

III. INTRODUCTION

Term of Charter

The Petitioners request a charter term of five years.

Intended Date of Opening and Students to Be Served

On approval of the petition, the Petitioners intend to open Discovery Charter School for instruction in the fall of 2006, with authorization to offer instruction for kindergarten through grade eight. See Attachment 1: Implementation Plan.

Facilities

The Petitioners are seeking facilities to house the Charter School at one site within the boundaries of the Moreland School District ("District") in Santa Clara County.

Founders

The Founders of Discovery Charter School represent a broad cross-section of parents and professionals. The Founders bring together the combined experience in the areas of education, legal, business, finance, non-profit administration, human resources, and technology. The Founders are working with a strong group of strategic partners in the areas of curriculum development, charter school finance, facilities, corporate and charter law, and charter development and operation. The Founders will continue to secure additional persons with expertise as needed to establish and sustain an excellent school and ensure the effective and responsible use of public funds. The common denominator, however, is their belief that all children deserve the opportunity to excel academically. See Attachment 3: Discovery Charter School Board and Committee Members and Attachment 4: Strategic Partners.

*Note: Throughout the charter, in order to avoid awkward grammatical constructions, the use of grammatically masculine singular words such as "he", "his", "him", and "himself" are used in the generic sense and include both male and female.

IV. STATEMENT OF NEED

All parents should have the opportunity, as taxpayers, to choose from a variety of high quality public school options. The opportunity to choose a charter school as part of public school options will inject an element of healthy competition into the public school system beneficial to both charter and district schools as intended by the California Legislature and U.S. Congress, and will strengthen neighborhoods in the District. Such choice will invigorate popular support for public education throughout the District.

A need exists for increased family support and involvement in each student's education. Research consistently shows that one of the most significant predictors of a student's academic achievement is parental support for and involvement in the student's education.¹ Educators need the support and involvement of parents to help them address the varied and complex needs of the young persons in their classroom. The rights and responsibilities of the parents/guardians² – a child's first and ideally best educator – shall be respected, welcomed, and valued in their child's formal educational process. A central goal of Discovery Charter School is to build a vibrant learning community. We will create a culture of parental empowerment and "ownership" of the school, cooperation and regular communication between home and school, and a school environment that values each student and demands the best from him or her. In this community model, students will be expected to help each other excel, both within each classroom and across grade levels.

We will create a culture of parent involvement with high expectations of our students' families, just as we want them to hold the school's professional staff to the highest expectations. We believe this formula of high expectations of all members of the learning community is crucial to the success of each student entrusted to our school.

The District has had a similar program for many years, first at Moreland Discovery School ("MDS") and now at Easterbrook Discovery School ("EDS").

MDS was established in 1995 with a program based on developmentally appropriate teaching methods (which makes allowance for the fact that different children are ready to learn different skills at different times), small class size, multi-age classrooms, a low student-to-teacher ratio, and parent participation. MDS had a high rate of parent participation, high test scores, and was designated a National Blue Ribbon School in 2002-03. In the fall of 2003, after eight years in very successful operation, because of the constraints of state funding, MDS merged with Easterbrook Elementary School, a neighborhood school in the District. The merged school became Easterbrook Discovery School. For the first year the merged school maintained the Discovery program and the traditional neighborhood school program as separate programs. For the 2004-05 school year, the District Board of Trustees decided to implement a unified program based on developmentally appropriate teaching methods, small class size, multi-age classrooms, and a low student-to-teacher ratio, with strong encouragement of the parent participation required for such a program to work successfully.

It has been challenging to combine a school based on a specific program and a school based on where people live. Although EDS teachers and staff have been very enthusiastic about the new program and

¹ Henderson, Anne T. and Nancy Berla, A New Generation of Evidence: The Family is Critical to Student Achievement. National Committee for Citizens in Education, 1994.

² "Parent" means "parent and/or guardian" throughout the charter.

the District has supported the program with policies to increase parent participation, the level of parent participation in the classroom has been lower than needed to effectively carry out the teaching methods of the program.

The District has implemented additional programs to increase parent involvement for the 2005-06 school year, the year before the charter school would open. The Petitioners fully support these efforts and are committed to making these efforts successful.

Even so, it has become clear that the Discovery parent participation program is a specialty program desired by some and not by others.

The fact that this program is not the choice of all parents at EDS has led to continuing uncertainty as to whether levels of parent participation will be high enough to keep this type of program in a residence-based school. In addition, public educational funding in California also continues to be uncertain, with the result that the District is often faced with having to make difficult decisions that may be no one's first choice.

Given these facts, the Petitioners concluded that this kind of program is ideally suited for a charter school, where those most committed to the philosophy and program of the school have control of and are made directly responsible for the school's success. Especially in light of the financial uncertainty in California public education, the Petitioners believe that in the long term the independence and responsibility of being a charter school are needed and appropriate to make sure that the option of a Discovery-type program remains as a choice for the families of our district.

V. EDUCATIONAL PHILOSOPHY AND PROGRAM

"A description of the educational program of the school, designed, among other things, to identify those whom the school is attempting to educate, what it means to be an "educated person" in the 21st century, and how learning best occurs. The goals identified in the program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners." - California Education Code Section 47605(b)(5)(A)

A. Mission

Through strong family involvement, community learning, and developmentally based teaching, Discovery Charter School will support the 'whole' child and develop lifelong learners prepared to meet the challenges of the future.

The School is committed to:

- Building an educational environment where developing, building, and engaging families and communities will provide a common vision for lifelong learning and student success;
- Respecting the cognitive, emotional, social, and physical development of each child;
- Partnering staff, students, parents, and community to create a unique, challenging, and individualized learning environment with high academic standards and expectations;
- Building programs that foster thinking which is original, critical, collaborative, and reflective; and
- Developing students who are self-motivated, self-disciplined, and socially responsible.

B. Educational Philosophy and Instructional Design

Discovery Charter School is a developmental, parent participation school open to all students. It is a school in which high standards of achievement and behavior will be the expectation. The school's instructional design is built on the following core beliefs:

- **Classrooms** are multi-age, developmental, hands-on, student-centered, and theme-based to accommodate individual learning styles and achievement levels. Continuity and differentiation are also supported when teachers "loop" (take their class to the next grade) or team-teach with one or more other teachers.
- **Teacher-directed parent participation** in the classrooms on a weekly basis supports a program built on the foundation of small group instruction and tutoring. Parents are part of their child's educational experience.

- **Collaboration and partnership as a community of teachers, parents, and students.** The committed and reliable participation of each allows the teachers to differentiate and group students to create a carefully crafted learning plan for each student.
- **Curriculum** is designed by our teachers using state standards, brain-based research, and best practices. Curriculum will be constantly evaluated, adapted, and improved by our teachers.
- **We are a community of lifelong learners comprised of teachers, parents, and students.** Respect for one another as learners is a key component of our school. Students are encouraged to share their knowledge and expertise with others. Developing student independence will be a priority, and children will be valued as decision makers.
- **Academic Achievement** is realized from the outstanding program. Evaluation is done on a continual basis, including student-led conferences; rubrics are used to measure progress. We do not “teach to the test”.
- **Enrichments** are strategically woven into the curriculum: gardening, art, cooking, drama, and foreign language, as well as other enrichments families would like to share.
- **Technology competence** is an important aspect of living in Silicon Valley as well as for the twenty-first century. Technology will be used as a tool for teaching and learning. Students will have access to technology for research, analysis, communication, skill building, and self-expression.
- **Field trips** extend the classroom experience for each student, assuring meaningful in-depth learning.

A typical day for a kindergartener and for a sixth-grader at Discovery Charter School are described in Attachment 5: A Day in the Life of a Kindergartener and in Attachment 6: A Day in the Life of a Sixth-Grader.

How Learning Best Occurs

Research shows that consistent high levels of student success are more likely to occur with long-term comprehensive parent involvement in schools. “Comprehensive means that parents are involved at all grade levels in a variety of roles. Involving parents in supporting their children’s education at home is not enough. To ensure the quality of schools as institutions serving the community, parents must be involved at all levels in the school”. See Attachment 7: California State Board of Education Policy 89-01 (1994): Parent Involvement in the Education of Their Children. With this in mind, DCS asks families to make a commitment to the community and their child to volunteer in the classroom on a weekly basis.

Research shows that multi-age grouping promotes cognitive and social growth (Trevor Calkins) and the natural development of the child. The wider age spans promote an active learning environment where students are not expected to ‘perform’ at their ‘age level,’ but encouraged to perform to the best of their ability. The students learn from each other, from teachers, and from cross-age tutors.

Research shows that children learn by doing and the hands-on learning approach will give students an opportunity to take learned skills and apply them to meaningful projects. These projects provide students an opportunity to develop and demonstrate critical thinking skills, problem solving skills, and cooperative learning which will prepare them for the 21st century.

Research also shows that the brain is pattern-seeking and looks for connections between pieces of information (McBrien/Brandt, 1997). These connections lead to a stronger and more thorough understanding. Whenever possible, curriculum will be designed around science, social studies, or literacy themes (Ostrow, 1995). Topics will be studied from many different angles and viewpoints, allowing students to explore subjects deeply, employ higher level thinking skills, and make connections among various disciplines of thought (Jensen, 1998).

Children develop and grow at different rates in different skill areas. Teachers' strong understanding of child development and close working relationship with each child's parent will allow them to design learning experiences so that each child's needs are met (Bingham, 1995). Curriculum is aligned with each child's developmental level to allow children to feel successful regardless of academic level.

Children also have different strengths and styles of learning. The teachers shall develop instructional programs incorporating the theory of multiple intelligences to build on each student's strengths and address diverse learning styles (Gardner, 1999).

Learning best occurs in a collaborative environment. Students have a higher motivation to learn when they have a real stake in their own learning. The teacher shares control of the classroom and students are allowed to explore, experiment, and discover on their own. The focus in these classrooms is on options, rather than uniformity. Learners are treated as co-creators in the learning process, as individuals with ideas and issues that deserve attention and consideration.

Learning best occurs in a climate where there are measurable goals and accountability. As Schmoker (1996) so simply states: "What gets measured gets done". DCS will provide a continuous collection and application of data for students, parents, teachers, and administrators.

Research sources are listed in Attachment 8: Cited Curriculum References.

What it Means to be an Educated Person in the 21st Century

Advances in technology have touched everyone's lives. Today's youth are growing up in a world that is more technologically advanced than any other time in history. Through the Internet and television, our children quickly and easily learn about world events, its inhabitants, and its issues. The Internet literally brings a world of information right to our fingertips. The world our children will know as adults will undoubtedly be very different than the world we have today.

In spite of the many changes in our world, many fundamental characteristics of a well-educated person remain. A vital part of being a well-educated person is mastery of fundamental skills, concepts, and knowledge in history, math, science, reading, writing, art, and music and an appreciation for what those who have come before us have learned. For such knowledge to be useful, it must be supported by the ability to think critically, the ability to use reasoning, and coherent argument supported by evidence. The educated person can evaluate, organize, and use information from various sources and disciplines of thought. They are able to make logical and flexible connections with the newly acquired information. They are able to reflect on experiences, revise their

understanding, and solve new problems. The educated person is competent using a variety of technology tools for analysis, communication, and presentation - these tools, coupled with knowledge of history, provide the ability to process and evaluate the changes we encounter.

To become an educated person, a child needs support and guidance that comes from having positive relationships with parents, teachers, other adults, and children. Growing up in California's populous and diverse community, a child needs to experience new cultures and learn new languages. They must learn to communicate well and work effectively in groups and teams and to understand the moral responsibility to help others and the value of contributing to their community.

As a contributing citizen of the 21st century, an educated person is self-motivated and competent. Through years of working with teachers and other adults, they have learned how to assess their abilities and how to learn. The educated person has an appreciation for knowledge and views lifelong learning as an activity that is essential to keep pace with the constantly changing world.

C. Students to be Served

"Identify the charter school's target population. Confirm that grade levels to be served by the charter school will coincide with the authorizer's grade levels." - California State Board of Education Model Charter School Application, September 2003.

Discovery Charter School will serve students in kindergarten through eighth grade, offering instruction for kindergarten through grade six the first year, with the possibility of also offering instruction for grades seven and eight in the first year or of adding grades seven and eight over the following two years. These grade levels are the same as those served by the District.

Students from within the District shall have preference in admission to DCS with remaining openings available to any student in the State of California (See Admissions Section IX). It is anticipated that DCS will attract those who are seeking an alternative to their current educational system, desire an innovative approach, and share the vision of DCS.

Attendance

The School's academic calendar shall generally align with the District's traditional calendar year - commencing before September 30 in accordance with State Charter School guidelines, including, but not limited to, 180 instructional days.

The number of instructional minutes for all grades shall meet or exceed the State's requirements in Education Code Section 46201(a)(3).

The School week shall include one early release day to accommodate teacher collaboration and variety in the student's daily learning routines. The early release day would be no less than 240 minutes.

DCS parents/guardians are responsible for sending their children to school and providing an explanation for absences. DCS shall develop attendance policies to encourage regular attendance and for reporting of trancies to appropriate local authorities.

D. Curriculum

“Discuss how the instructional approach will enable the school’s students to achieve the objectives specified in the charter and master the academic content standards in core curriculum areas as adopted by the State Board of Education.” - California State Board of Education Model Charter School Application, September 2003.

DCS shall focus on the education of the whole child through a core curriculum of English-language arts, mathematics, science, and history-social science including a complementary curriculum of performing arts, physical education, technology, and life skills education. The California state standards will be used as a foundation to build curriculum and guide instruction. The School intends to work toward WASC accreditation after school opens. The DCS curriculum, based on the proven award-winning curriculum of the Moreland Discovery School program, will address the developmental needs of a diverse population. Students will be encouraged to be active in the community through various community service projects.

All students will participate in a Language Arts program that will be integrated across all curricular areas and offers a rich diversity of activities and resources. The comprehensive curriculum will include daily opportunities for children to practice and improve reading, writing, listening, and speaking skills. A variety of teaching strategies will be used to ensure that each child’s needs are being met—instruction will be provided in large group, small group, and individual settings. Periodic literacy assessments will help teachers continue to align instruction with the needs of the students. See Attachment 10: Sample Curriculum – Language Arts.

All students at all grade levels will be engaged in challenging, hands-on math activities which involve thinking mathematically and using tools, techniques, and strategies to solve real world problems. Our program will develop solid number sense and problem-solving skills through concrete experiences using manipulatives, before moving on to more abstract concepts. Teachers will use a variety of resources such as McGraw Hill Mathematics, Mathland, Investigations, TERC, Math Excursions, Box It and Bag It, and teacher-created materials. Math activities will be integrated throughout the curriculum. Many math activities will be multi-leveled and will provide students with a variety of skill levels and opportunities for meaningful work. Both skill and problem solving assessments based on state standards will be used throughout the year to help teachers continue to plan and implement appropriate and challenging math activities.

The science program at DCS will be hands-on and integrate essential learning in the areas of earth, physical, and life sciences throughout the curriculum. Depth over breadth will be emphasized in a thematic-based curriculum that is determined through student interest, as well as the state standards. Science at DCS will include real-life experiences with gardening, cooking, lab experiences, and both the scientific method and problem-solving. Students will also participate in field experiences off campus to supplement and solidify what they are learning in the classroom.

The social studies curriculum will also tie in closely with other curricular areas such as language arts and science. Content will be based on the state standards and will emphasize living and working together in our diverse community.

Productive citizens of the 21st century must be able to work cooperatively as part of a team to accomplish a task. Cooperative learning techniques, used throughout the curricular areas, will teach

students to work collaboratively with others and allow them to develop their social and communication skills. Students will learn to share their knowledge and skills and acknowledge and respect the ideas and skills of others. Students at every grade level will participate in service learning projects which will be integrated into the curriculum.

In addition to the above core curriculum, students will participate in activity-based physical education, health, and visual and performing arts. Technology will be used as a tool for teaching and learning. Students will have access to technology for research, analysis, communication, skill building, and self-expression.

Through their work as part of the DCS community of learners, students shall develop skills that will enable them to pursue their own path of learning throughout their adult lives in becoming self-motivated, competent, and lifelong learners. Students will learn study skills such as note taking, library research skills, and study strategies. Through self-evaluation and goal-setting, students will learn to reflect on and evaluate their own learning and progress toward achieving a goal. Project-based learning will provide practice in reasoning, decision-making, and problem solving. Students will learn to identify and use available resources and to articulate their thought processes to others.

Learning Environment

DCS will provide a productive, safe, enriching learning community in which children, parents, and teachers of different backgrounds, abilities, and needs work and learn together successfully. DCS will be designed in a way that allows and encourages collaborative work between students and teachers and values cooperation and collaboration as important life skills. Learning at DCS will take place in many settings during the day. In addition to children learning on a traditional school campus, they will be immersed in a classroom setting with low student-adult ratio to facilitate interactive and independent exploration. The goal is to have a campus complemented by: a music room, an art lab, a state-of-the-art computer lab, a health/science lab, a fully-equipped performing arts facility, research gardens, a comprehensive library, and physical education facilities.

Our primary classrooms will be organized around two innovative organizational strategies based on resiliency factor research: the multi-age classroom and the opportunity to stay with one teacher for more than one year. In the multi-age classroom, children have the rare opportunity to learn from regular interactions with students who are older and/or younger than they are. Because the relationships developed with teachers are of key importance to student success, children and parents stay with one teacher for two years, which leads to greater bonding, learning, and connection to the school.

The upper grade classrooms will be organized by grade level to ensure that teachers can meet the more structured curriculum standards. Students work in mixed groups in weekly enrichment workshops to promote positive cross-grade relationships. Periodic groupings within grade levels allow students to benefit from the diverse and unique teaching styles of each teacher. Upper grade teachers use a variety of strategies including cooperative learning, research methods, hands-on experiences, and simulations.

As part of the learning community themselves, teachers must have time to work together, plan, discuss student needs, mentor one another, and observe other classrooms. The school day shall be structured such that staff members have time during school hours to work collaboratively so that special

programs and projects may be accommodated. To permit this flexibility, the length of the school year and/or the length of the school day may be extended beyond the state-mandated minutes. Teachers will be required to participate in ongoing staff development in order to stay current with research in best teaching practices.

E. Plan for Students Who Are Academically Low-Achieving

At Discovery Charter School, low-achieving students are those who fall below the 50th percentile on the adopted standardized test and/or fall below learning behavior, language acquisition, and fine and gross motor skills on a developmental continuum. At DCS at-risk students are students who achieve at or below the 40th percentile on adopted state tests who may or may not qualify for special education services, and whose achievement potential is not being realized.

The unique features and structure of the DCS curriculum and the instructional strategies outlined here are designed to maximize the learning opportunities of low-achieving and at-risk students. Low-achieving and at-risk students are thoroughly integrated into the entire student body at the school and participate fully in all aspects of the curriculum.

Multi-age classrooms give at-risk and low-achieving students continuity with one teacher for two years. Students have time to develop at their own rate and are presented with daily opportunities to learn at their own developmental level in each academic area. Flexible grouping across age groups allows students to work at an instructional level with others possessing the same skills. Teachers may group students in different ways to help build a certain skill set or learning behavior. All students have opportunities to take both leading and following roles in cooperative activities. This allows at-risk or low-achieving students to be successful in their school work each day and builds student confidence.

Hands-on, integrated curriculum provides concrete experiences to scaffold learning for at-risk students. Students have opportunities to follow interests and connect their previous knowledge to new concepts. Through broad themes, students are given an opportunity to broaden their knowledge of big concepts, giving them a strong base for adding and retaining new knowledge. Concrete learning experiences at every grade level give at-risk students opportunities to learn in a variety of modalities, helping them eventually to develop the learning strategies that work best for them.

The parent participation component of DCS provides the teacher with the ability to have students working in small groups or individually with an adult for a large portion of the school day. Under the direction of the teacher, parents work with small groups or one-on-one to ensure that all children get the individual help and attention they need to succeed. Activities will be differentiated so that students who are ready can move on without leaving any other student behind. Parents may be trained in certain interventions in order to help at-risk or low-achieving students in the classroom. Parent talents and skills will also be used to provide enrichment and extension activities for students.

Parents of at-risk or low-achieving students shall be contacted and included in the development of strategies to meet the specific needs of the student. Further support for such students may include intervention programs beyond the classroom, such as cross-age tutoring and student study teams.

F. Plan for Students Who Are Academically High-Achieving

At Discovery Charter School, students may be considered gifted according to a variety of measures including, but not limited to, standardized test scores, classroom observation, or performance assessments. Students achieving above grade level in any academic area will have opportunities for more challenging work and leadership roles within the classroom. In addition, student strengths outside the core academic areas will be fostered and celebrated in the classroom.

The unique features and structure of the DCS curriculum and the instructional strategies outlined here are designed to maximize the learning opportunities of all students, including those achieving above grade level. Gifted students will participate fully in classroom activities and core curriculum and are thoroughly integrated into the entire student body at the school.

Multi-age classrooms give gifted students continuity with one teacher for two years. Students have opportunities to excel in their areas of strength while continuing to develop at their own pace in other areas. In each area of development, students are presented with daily opportunities to learn and work at an instructional level with others possessing the same skills. Teachers may group students in different ways to help build a certain skill set or learning behavior. High-achieving students will be given opportunities to work cooperatively to solve problems and also opportunities to teach or lead a group in order to solidify concepts for themselves. All students have opportunities to take both leading and following roles in cooperative activities. This allows gifted students to be both successful and challenged in their school work each day and builds a positive attitude toward school.

Project-based learning provides opportunities for above grade level students to capitalize on their interests and knowledge of a particular subject, but also to practice problem solving and to use higher level thinking skills. These students need opportunities to work collaboratively on a problem and to make decisions about the direction a project will go. Through broad themes, students are given an opportunity to broaden their knowledge of big concepts, and to choose and follow a focus area in which they wish to learn more. Activities designed with the multiple intelligences in mind provide opportunities for students to use their strengths and continue to develop other learning modalities, all in a risk-free environment.

The parent participation component of DCS provides the teacher with the ability to have students working in small groups or individually with an adult for a large portion of the school day. Under the direction of the teacher, parents work with small groups or one-on-one to ensure that all children get the individual help and attention they need to succeed. Activities will be differentiated so that students who are ready can move on without leaving any other student behind. Parents will be trained to facilitate, rather than lead, cooperative learning groups so that students can take on the roles themselves. Parent talents and skills will also be used to provide enrichment and extension activities for students.

Parents and teachers will continue to work together to help meet the needs of gifted children. Ongoing assessment and classroom observation paired with input from each child's parents will help the teacher continue to challenge and meet the needs of students performing above grade level.

G. Plan for English Learners

DCS will meet all applicable legal requirements for English Learners (“ELs”) relative to annual notification to parents, student identification, placement, program options, English Learner and core content instruction, teacher qualifications and training, reclassification to Fluent English Proficient (“FEP”) status, monitoring and evaluation of program effectiveness, and standardized testing requirement. DCS shall implement policies to effectuate proper placement, evaluation, and communication regarding ELs and the rights of parents and pupils.

Home Language Survey

The Home Language Survey (“HLS”) shall be administered upon a student’s initial enrollment into a California public school. If DCS is not a student’s first California public school, then DCS will attempt to retrieve a copy of the student’s HLS from the prior school(s) of attendance. Nonetheless, all students will be asked of their primary language with DCS enrollment paperwork to ensure an HLS is completed.

Annual Assessments

DCS shall follow all California English Language Development Test (“CELDT”) testing timelines to ensure students receive proper instruction. DCS shall comply with the applicable requirements of the No Child Left Behind Act with regard to English Learner students.

English Learners and Core Instruction

ELs will have daily access to the core curriculum and will be taught through structured English Immersion with additional supports as necessary.

Instruction techniques, assessments, materials, and approaches will focus on communicative competence and academic achievement covering listening, speaking, reading, and writing skills (aligned with California English Learner and Content Standards) in all areas of the curriculum. English Learner students will receive English Learner and core content instruction appropriate for their English proficiency and grade levels.

In addition, the instructional program for DCS is designed to promote language acquisition and proficiency, oral language development, and enriched learning opportunities for all ELs.

Reclassification to FEP Status

DCS will develop criteria to determine Fluent English Proficiency for ELs consistent with legal requirements regarding standardized testing and other required assessments. In addition, DCS will monitor to ensure on-going academic success for reclassified students for at least three years from their reclassification date. Reclassification procedures will utilize multiple criteria in determining whether to classify a pupil as proficient in English including, but not limited to, all of the following:

- Assessment of language proficiency using an objective assessment instrument including, but not limited to, the CELDT;

- Participation of the pupil's classroom teacher and any other certificated staff with direct responsibility for teaching or placement decisions of the pupil to evaluate the pupil's curriculum mastery;
- Parental opinion and consultation, achieved through notice to parents or guardians of the language reclassification and placement including a description of the reclassification process and the parent's opportunity to participate, and encouragement of the participation of parents or guardians in the school's reclassification procedure including seeking their opinion and consultation during the reclassification process; and
- Comparison of the pupil's performance in basic skills against an empirically established range of performance and basic skills based upon the performance of English proficient pupils of the same age that demonstrate to others that the pupil is sufficiently proficient in English to participate effectively in a curriculum designed for pupils of the same age whose native language is English.

Monitoring and Evaluation of Program Effectiveness

The evaluation for the program effectiveness for ELs in DCS will include:

- Adhering to DCS-adopted academic benchmarks by language proficiency level and years in program to determine adequate yearly progress;
- Monitoring of teacher qualifications and the use of appropriate instructional strategies based on program design;
- Monitoring of student identification and placement;
- Monitoring of parental program choice options; and
- Monitoring of availability of adequate resources.

H. Plan for Special Education

Overview

The School will adhere to all laws affecting individuals with exceptional needs, including all provisions of the Individuals with Disabilities in Education Act ("IDEA"), its amendments, Section 504 of the Rehabilitation Act and the Americans with Disabilities Act ("ADA"). All students will be given equal access to the school, regardless of disabilities, and the School will not discriminate against any student based on his disabilities. The School shall not require the modification of an IEP or 504 plan as a condition of acceptance at the Charter School.

The School recognizes the importance of providing education opportunities to all students regardless of physical challenges or special needs. To that end, the School pledges to ensure that the students enrolled in the School are served in accordance with applicable federal and state law.

IDEA

The School shall be deemed to be a public school of the ~~District-Santa Clara County Board/Office of Education ("County")~~ for purposes of special education pursuant to Education Code Section 47641(b). ~~A child with disabilities attending the charter school shall receive special education instruction and related services in accordance with the individualized educational program ("IEP") in the same manner as a child with disabilities who attends another public school within the District. As typically a county office of education is not set up to serve the special education needs of a charter school, the Charter School shall provide special education instruction and related services internally and as necessary through a contract with another public entity, as available, or a third-party, appropriately licensed contract service provider should the County have no services available.~~

The School anticipates that ~~an agreement regarding~~ special education agreement will be developed between the ~~County District~~ and the Charter School which would specify in detail the responsibilities for provision of special education services by the School and the manner in which special education funding will flow through the ~~County District~~ to the students of the School. ~~The petitioners believe that the following arrangement would be a reasonable basis for such an agreement relating to special education services and funding for charter school students:~~

- ~~• The District would receive and retain all State and Federal special education funds due to the Charter School.~~
- ~~• The District would provide special education instruction and related services to charter school students in the same manner as provided to other students of the District.~~
- ~~• The District would provide funding to the Charter School for any special education instruction or related services provided by the Charter School in the same manner as is currently provided to other Schools of the District.~~
- The Charter School would pay a share of District-wide special education costs that are in excess of State and Federal special education funds ("encroachment costs").

The details of this arrangement, or a reasonable alternative to this arrangement, will be discussed and codified in a memorandum of understanding between the ~~County District~~ and the Charter School.

Nothing in this Section, however, shall be deemed to prevent the Charter School from seeking LEA status pursuant to Education Code Section 47641(a) or from contracting with a third-party to provide special education services.

Section 504/ADA

The School shall be solely responsible for its compliance with Section 504 and the ADA. All facilities of the School shall be accessible for all students with disabilities in accordance with the ADA.

Further, the School shall adopt and implement a policy, which outlines the requirements for identifying and serving students with a 504 accommodation plan. The School recognizes its legal responsibility to ensure that no qualified person with a disability shall, on the basis of disability, be excluded from participation, be denied the benefits of, or otherwise be subjected to discrimination under any program of the Charter School. Any student, who has an objectively identified disability,

which substantially limits a major life activity such as learning, is eligible for accommodation by the School and shall be accommodated. See Attachment 9: Plan for Section 504 Compliance.

VI. MEASURABLE PUPIL OUTCOMES

“The measurable pupil outcomes identified for use by the charter school. “Pupil outcomes,” for purposes of this part, means the extent to which all pupils of the school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the school’s educational program.” - California Education Code Section 47605(b)(5)(B)

A. Core Academic Skills

Discovery Charter School shall develop Student Outcomes that are based on California State content and performance standards in the areas of English/Language Arts, Science, History/Social Science, and Math. In addition to state standards, DCS will help students develop skills as listed below:

English/Language Arts

- Strong reading, writing, listening, speaking, and presentation skills, in multiple forms of expression which may include poetry, biographies, stories, non-fiction, and plays, which will enable them to comprehend and interpret multiple forms of expression, including literature from various time periods and cultures.

Science

- The understanding and application of the major concepts underlying the various branches of science, which may include physics, biology, chemistry, ecology, astronomy and earth sciences aligning with State Standards. This knowledge will enable students to make informed decisions in an increasingly technological world.

History/Social Sciences

- An understanding of civics, history, geography, cultures and languages so they can apply their knowledge and be responsible citizens of the 21st century.

Mathematics

- The ability to reason logically and to understand and apply mathematical processes and concepts to solve problems requiring basic mathematics, algebra, geometry, statistics, and other math disciplines. These problem-solving skills will be integrated into other disciplines.

B. Lifelong Learning Skills

DCS will help students develop skills that will enable them to pursue their own path of learning throughout their adult lives in becoming self-motivated, competent and lifelong learners, including the following:

Study Skills

- Proficient study skills and habits including note taking, library research skills, and studying strategies.
- The ability to reflect on and evaluate one's own and other's learning.
- The ability to plan, initiate and complete a project, including goal setting and self-assessment.

Cognitive Processing Abilities

- Cognitive processing abilities using complex and critical thinking skills.
- The ability to identify, access, integrate, and use available resources and information.
- The ability to reason, make sound decisions, problem solve, and analyze in a variety of contexts.
- The ability to articulate their thought processes.

Foreign Language Skills

- A foundation in a language other than English.
- A knowledge and understanding of other cultures.
- An ability to function with people from other cultures or to participate in multilingual communities.

Technology

- Skills from a variety of technological sources for the purpose of research, analysis, communication, organization, and self-expression.
- Ability to utilize computers and commonly used software applications.

Visual and Performing Arts Skills

- Knowledge of skills to express ideas and emotions through participation in various forms of the visual and performing arts which may include music, theatre, dance, two- and three-dimensional arts, puppetry, and applied arts.

Health Science/Physical Fitness

- Knowledge of pertinent issues of health, safety, and the development of behaviors that are a foundation of lifelong healthy living.

Social/Interpersonal Skills

- The ability to make responsible decisions, build confidence in one's ability to learn, and be a productive member of an increasingly diverse and technological society.
- The ability to communicate clearly through oral, written, visual, and other forms of expression.
- The ability to engage in responsible, compassionate peer relationships.
- The ability to collaborate and work effectively with others in cooperative groups.

C. Academic Performance

Discovery Charter School shall break down measurable outcomes into specific grade level and classroom specific benchmark skills. DCS shall continue to examine and refine student outcomes and performance goals over time to reflect the School's mission, curriculum, assessments, and any changes to state standards.

Discovery Charter School shall strive to:

- Increase the number of students performing in the upper quartile range of mandated standardized tests by 1% in each of the subject areas in each year of this charter;
- Increase achievement of at-risk students assessed by multiple measures and aligned with California standards;
- Educate 75% of the students' grades K-8 to rate a 3 or 4 (meets or exceeds standards) on the grading rubric at the end of the academic year;
- Meet the annual API growth target and Adequate Yearly Progress (AYP) criteria each year; and
- Achieve a student attendance rate of at least 96.5%.

D. Methods of Assessment

"The method by which pupil progress in meeting those pupil outcomes is to be measured." - California Education Code Section 47605(b)(5)(C)

To measure the progress of the students at Discovery Charter School and ensure that the goals of the charter are being met, Discovery Charter School shall adhere to statewide standards with mandated standardized tests and conduct additional performance-based assessments. Student performance on

these measures will help the School community make informed decisions about instruction and program modifications.

The following assessment approaches may be included in the School's measurement of outcomes:

- **Standardized Tests:** The School shall administer nationally norm-referenced tests required by law in the state of California. The School may also administer supplemental standardized tests as appropriate.
- **Portfolios:** A systematic collection of student work over a period of time that exhibits a student's work and progress will be gathered. Portfolios will be used to measure student progress toward and mastery of statewide standards using school-wide rubrics. Portfolios will help students develop critical thinking skills by providing the opportunity for them to assess their own learning, to reflect critically and thoughtfully about their own work, to set goals for improvement, and to be aware of their accomplishments. This will provide the staff and parents with an authentic picture of the student's progress over time, while simultaneously giving information for future instruction and student needs.
- **Running records:** Authentic assessment of children's reading skills in context will be completed by teachers. Students will be given passages of different levels of difficulty, based on grade, and will be scored based on their degree of fluency and accuracy, as well as their ability to respond appropriately to comprehension questions.
- **Journals:** Student journals will be used to reflect the student's own performance in academic areas and their use of the critical thinking skills.
- **Projects:** Elementary and middle-school students will complete projects that represent a cumulative show of the student's learning. These may be written and oral and may include the use of various media. Eighth grade students will work with advisors to complete their exit projects. Rubrics will indicate students' mastery of skills.
- **Teacher observations and documentation:** The instructors will document student work and work habits in the classroom, noting skills that are mastered and those requiring continued instruction. Included in these observations will be the student's attitudes and social behaviors.
- **Teacher-created tests:** Teachers will design appropriate tasks that will measure understanding and mastery of grade level standards and big concepts on an ongoing basis. Data from these assessments will also be used by teachers to continue to design instruction and refine teaching strategies.

Student progress towards skill mastery will be documented three times yearly in standard-based report cards that mirror the District elementary and middle school report cards. Parent teacher conferences will be held at least once per school year and more often as needed. Teachers will share students' academic, social, emotional, and physical progress with parents. All students will be given the opportunity to participate in student-led conferences to reinforce their participation in the learning process. DCS will strive to meet the outcomes, benchmarks, and assessments outlined in Table 1.

Table 1. Pupil Outcomes, Benchmark Instruments, and Assessments

Measurable Pupil Outcomes	Local Benchmark Instruments	State-Level Year-End Assessments
Achieve rating of 3 or 4 and/or A or B (per academic rubric) on the state content standards each year in its core subjects	Student progress records, portfolios, locally developed/adopted content and skill assessment instruments	Current state accountability measures: e.g., STAR/CAT6, writing assessments
Students meet or exceed grade-level standards each academic year, as evidenced by scores on the STAR/CAT6 exam	Practice sheets as needed	Current state accountability measures: e.g., STAR/CAT6, writing assessments
Achieve at least a 96.5% student attendance ratio	Daily attendance reporting	Calculated ADA rate
Achieve Academic Performance Index (API) growth targets	Annual growth targets	Current state accountability measures: e.g., STAR/CAT6, writing assessments
		Self-Evaluation, Writing Samples, IEP, Performance Assessment, Teacher Observation

E. Use and Reporting of Data

“The plan for collecting, analyzing, and reporting data on student achievement to school staff, parents, and guardians. The plan for utilizing the data continuously to monitor and improve the charter school’s educational program.” - California State Board of Education Model Charter School Application, September 2003.

The assessments are designed to align to the mission, exit outcomes, and the curriculum. See Attachment 10: Sample Curriculum – Language Arts for a sample assessment. DCS shall collect annual data from the assessments listed above and shall utilize the data to identify areas of necessary improvements in the educational program. The School shall develop an annual performance report based upon the data compiled. The report shall also include:

- Summary data showing student progress toward the goals and outcomes from assessment instruments and techniques as described in this section and an analysis of whether student performance is meeting the outcomes specified by this section. This data will be displayed on both a Charter school-wide basis and disaggregated by major racial and ethnic categories to the extent feasible without compromising student confidentiality;
- A summary of major decisions and policies established by the DCS Board of Directors during the year, data on the level of parent involvement in the School’s governance (and other aspects of the school, if applicable), and summary data from an annual parent and student satisfaction survey;

- Data regarding the number of staff working at the School and their qualifications;
- A copy of the School's health and safety policies and/or a summary of any major changes to those policies during the year;
- Information demonstrating whether the School implemented the means listed in the Charter to achieve a racially and ethnically balanced student population;
- An overview of the School's admissions practices during the year and data regarding the number of students enrolled, the number on waiting lists, and the number of students expelled and/or suspended;
- Analyses of the effectiveness of the School's internal and external dispute mechanisms and data on the number and resolution of disputes and complaints; and
- Other information regarding the educational program and the administrative, legal, and governance operations of the School relative to compliance with the terms of the Charter.

The School will use the information compiled in the annual performance report to evaluate and improve upon its educational programming as necessary.

The School and the ~~District-County~~ will also jointly develop an annual site visitation process and protocol to enable the ~~District-County~~ to gather information needed to confirm the School's performance and compliance with the terms of this charter.

The ~~District-County~~ agrees to receive and review the annual programmatic report. Within two months of receipt of this annual review, the ~~District-County~~ must notify the Board of the School as to whether it considers the school to be making satisfactory progress relative to the goals specified in this charter. This annual notification will include the specific reasons for the ~~District's-County's~~ conclusions regarding its assessment of the annual programmatic report of the Charter School.

VII. GOVERNANCE STRUCTURE

"The governance structure of the school including, but not limited to, the process to be followed by the school to ensure parental involvement." - California Education Code Section 47605(b)(5)(D)

A. Legal Status

Discovery Charter School has constituted itself as a California non-profit public benefit corporation pursuant to California law and will apply for 501(c)(3) tax-exempt status. See Attachment 11: Articles of Incorporation. The school shall be governed pursuant to its Bylaws adopted, as subsequently amended from time to time, which shall be consistent with this charter. We anticipate that the Bylaws will be modified to meet the school's needs once it is in operation. See Attachment 12: Proposed Charter School Bylaws.

The school shall operate separately from the ~~Moreland School District~~ County, with the exception of the supervisory oversight as required by statute. Pursuant to the Education Code Section 47604(c), ~~Moreland School District~~ the County shall not be liable for the debts or obligations of the School, operated as a California non-profit benefit corporation or for claims arising from the performance of acts, errors, or omissions by the charter school as long as the County ~~District~~ has complied with all oversight responsibilities required by law.

B. Board of Directors

The School will be governed by a Board of Directors (the "Board"). The Board shall be ultimately responsible for the operation and activities of the School. Board members have a responsibility to solicit input from parents, faculty, and staff regarding issues of significance, and to consider input carefully before taking action. The primary method for executing the Board's responsibilities is the adoption of policies that offer guidance and interpretation of the charter and the procedures to assist the staff in facilitating the implementation of such policies. The Board will consist of five to fifteen members who will govern Discovery Charter School.

As the chartering authority, ~~Moreland School District~~ the County may select a representative to sit on the Board as an *ex officio* (non-voting) member who facilitates communication and mutual understanding between the school and the chartering authority.

As the School progresses from a development to an operational phase, some or all of the members of the DCS Board will change as part of a transition to an operating board to ensure that the Board has the skills and expertise necessary for successful operation of the School. New board members will be appointed by the directors of the Discovery Charter School. In selecting new Board members, the founding directors shall look for expertise in the areas of school administration or operations, teaching, business, accounting, legal, nonprofit, and fundraising. See Attachment 13: Board Member Development Plan for details concerning requirements for and training of new board members. New board members shall include parent and community leader representatives elected by the Board in accordance with the Bylaws.

The Board will meet on a regular basis (e.g. monthly). The responsibilities of the Board include but are not limited to:

- Upholding the mission and vision of the school;
- Overseeing the implementation of the charter;
- Creating external or sub-committees as needed, including, but not limited to, a nominating committee and an audit committee;
- Ensuring compliance with applicable law such as the Public Records Act and policies such as Conflict of Interest;
- Approving all operational policies as well as working with the school's administration and faculty to implement such policies;
- Approving and monitoring the school budget and the school's fiscal practices, including solicitation and receipts of grants and donations;
- Approving all hiring, firing, and discipline of employees as well as all employee contracts and personnel policies;
- Approving student and parent policies, including, but not limited to, recruitment of staff, admissions, and disciplinary policies including suspension and expulsion;
- Approving and monitoring management of school liabilities, insurance, health, safety, and risk-related matters; and
- Approving all contracts and expenses in excess of 1% of the annual operating budget.

The Board shall adopt policies and procedures regarding self-dealing and conflicts of interest. The Charter School Board of Directors may initiate and carry out any program or activity that is not in conflict with or inconsistent with any law and which is not in conflict with the purposes for which charter schools are established. The Board may execute any powers delegated to it by law, and shall discharge any duty imposed by law upon it and may delegate to an employee of the School any of those duties. The Board, however, retains ultimate responsibility over the performance of those powers or duties so delegated.

C. Parent Participation

Parent participation at Discovery Charter School is vital to the success of a program based on small group developmental instruction. Each family will make an educated decision to choose to enroll their child in the Charter School's program. Each family will be asked to complete a commitment form which specifies how the family will contribute to the success of the program.

The DCS Board will adopt policies to specify the details of parent participation. Such policies will be included in the parent handbook provided to all parents. Through these policies DCS will strive to ensure that parents can participate in ways which reflect their own skills, interests, and talents, as well

as taking into consideration classroom/program needs and the constraints of family, work, and other commitments outside of DCS.

In addition, DCS is committed to supporting parents in their participation by providing parent education through teacher-led meetings, speaker meetings, and a parent education library available to all parents.

D. Public School Attendance Alternatives For Pupils Residing Within The School District Who Choose Not To Attend Charter Schools

Since DCS does not have a neighborhood attendance area, all students not wishing to attend the charter school may enroll in their school of residence.

E. Program Site Council

The Program Site Council's ("PSC") main function within the Discovery Charter School organization is to support the various school programs the Executive Director and teachers have adopted to supplement classroom curriculum, enrich school life, and enhance the school community.

The PSC will be a volunteer organization run by parents and teachers. Each identified program will have a group of volunteers that will work together to monitor and implement the specific requirements of each program. Each committee will elect one volunteer coordinator who will represent the group at monthly PSC meetings.

The PSC will consist of an assembly made up of its President, Vice President, Secretary, Treasurer, and one coordinator for each program. The Program Site Council will hold monthly meetings to discuss school activities with the school's Executive Director in attendance. The Program Site Council is not a decision-making organization and reports to the Executive Director. The PSC board and program coordinators will be selected through a yearly school election process.

Program Site Council Committees may include such programs as: Publicity and Community Outreach, Parent Participation, Technology, Spanish Language Instruction, School Community Building, Enrichment Programs, and Parent Education. (For Program Site Council detail refer to Attachment 14: Program Site Council)

The Program Site Council will:

- Serve as a forum for the discussion of matters of interest and concern to the parents and teachers of the school in regard to school programs and community;
- Act as a communication channel between parents, other individuals, and groups both within and outside of the school community;
- Work as an advisory body to the Executive Director to assess school community support and interests and monitor program activities;
- Coordinate and sponsor committees; by their nature these committees will work with various bodies within the school providing support;

- Report directly to the Executive Director and implement approved changes on behalf of the Executive Director;
- Sponsor activities that enhance the intrinsic value of the school and contribute to the fulfillment of the School's mission; and
- Coordinate fundraising activities and oversee the allocation and disbursement of funds raised by the PSC.

VIII. HUMAN RESOURCES

A. Qualifications of School Employees

"The qualifications to be met by individuals to be employed by the school." - California Education Code Section 47605(b)(5)(E)

Discovery Charter School shall recruit professional, effective, and qualified personnel for all administrative, instructional, instructional support, and non-instructional support capacities that believe in the instructional philosophy of the school. In accordance with Education Code 47605(d)(1), DCS shall be nonsectarian in its employment practices and all other operations. The School shall not discriminate against any individual (employee or pupil) on the basis of ethnicity, national origin, gender, or disability. See Attachment 15: Employee Recruitment Plan.

All employees should possess the personal characteristics, knowledge base, and/or relevant experiences in the responsibilities and qualifications identified in the posted job description as determined by the School. See Attachment 16: Job Descriptions.

All school employees shall be fingerprinted and shall successfully pass all required Department of Justice/Federal Bureau of Investigations checks and undergo background checks that provide for the health and safety of the School's faculty, staff, and students prior to beginning work.

Executive Director

The Executive Director supervises the teachers and non-instructional staff and shall operate as the chief executive officer managing the day-to-day functions of the School. The Executive Director shall act as the instructional leader at the School and shall be responsible for helping the School's students achieve outcomes as outlined in the Educational Program.

Candidates for this position will possess:

- Excellent communication and community-building skills;
- Extensive knowledge of and experience with curriculum development and developmentally-based educational programs;
- A thorough knowledge of Special Education needs and issues;
- Demonstrated leadership capabilities; and
- Experience in performance assessment.

This individual must meet all of the following minimum requirements:

- Valid California Administrative Credential;
- Valid California Elementary Teaching Credential; and
- Possession of a Master's Degree or higher.

Teachers

"Teachers in charter schools shall be required to hold a Commission on Teacher Credentialing certificate, permit or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file at the charter school and shall be subject to periodic inspection by chartering authority. It is the intent of the Legislature that charter schools be given flexibility with regard to non-core, non-college preparatory courses." - California Education Code Section 47605(l).

Core teaching faculty, as providers of the day-to-day teaching and guidance to the students, are the primary resources of the School.

Core teachers will be responsible for, among other things:

- Core subject instruction in mathematics, language arts, science, and history/social studies;
- Curriculum planning;
- Collaboration with fellow faculty and administrators;
- Student assessment; and
- Communication with parents.

Candidates for these positions will possess:

- A commitment to students and learning;
- Knowledge about their subject material; and
- A willingness to be innovative and dynamic in their instruction methods.

These individuals must meet all of the following minimum requirements:

- Bachelor's Degree and
- Valid California Teaching Credential(s), certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold as required for the relevant grade(s) and appropriate supplemental or multi-subject credential(s), as applicable.

In addition, core teachers, as defined by the No Child Left Behind Act of 2001, shall meet the applicable definitions of the highly qualified requirements.

The School will hire substitute teachers in accordance with applicable law.

Business Services Administrator

The Business Services Administrator works with the Executive Director to implement responsible fiscal policies and operations of the School. Candidates for this position will possess knowledge, skills, and abilities in the following:

- Administrative principles and practices including organizational development, administration, budgeting, purchasing, and employment management;
- Principles and practices of educational accounting, budgeting, and financial analysis;
- Concepts and techniques of financial control systems and methodology;
- Sources of revenues and expenditures typical of public school operations; and
- Laws, rules, and regulations that apply to educational fiscal operations.

The candidate must meet all of the following minimum requirements:

- Any combination of education and experience equivalent to completion of a Bachelor's Degree in Public or Business Administration or related field; and
- Three (3) years experience administering budgets and performing data analysis, preferably in an educational environment.

B. Compensation and Benefits

Salary, Health, and Welfare Benefits

Employees of Discovery Charter School shall receive compensation packages which are competitive with local public charter schools. Benefits shall include, but are not limited to, health, dental, and vision.

Revenues and expenditures will be reviewed annually, and a recommendation will be made to the DCS Board for cost of living adjustments and incentive pay to remain competitive.

Retirement System

"The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System or federal social security." - California Education Code Section 47605(b)(5)(K)

All certificated employees of DCS shall participate in the State Teachers Retirement System ("STRS"), except that employees changing from employment covered by Public Employees Retirement System ("PERS"), may choose to continue to be covered by PERS or to elect participation in STRS. Non-certificated staff will participate in the federal social security system and will have access to other school-sponsored retirement plans according to policies adopted by the DCS Board of Directors.

DCS shall make all employer contributions as required by STRS, PERS, or Social Security, as applicable. The ~~District~~ County will cooperate as necessary to forward any required payroll deductions and related data to STRS and PERS. DCS shall also make contributions for workers compensation insurance, unemployment insurance, and any other payroll obligations of an employer.

Other Terms and Conditions of Employment

The Charter School will provide opportunities for teachers and other professionals to continue their professional development. See Attachment 17: Employee Development Plan

Evaluation procedures will be conducted in a manner established by the administration and approved by the DCS Board. Discipline and dismissal procedures for School employees will be developed by the administration and approved by the DCS Board.

C. Employee Relations

"A declaration whether or not the charter school shall be deemed the exclusive public school employer of the employees of the charter school for the purposes of the Educational Employment Relations Act" - California Education Code Section 47605(b)(5)(O)

Discovery Charter School is the exclusive public school employer of the employees of the charter school for the purpose of the Education Employment Relations Act.

D. Description of Employee Rights

"A description of the rights of any employee of the school district upon leaving the employment of the school district to work in a charter school and of any rights of return to the school district after employment at a charter school." - California Education Code Section 47605(b)(5)(M)

Job applicants for positions at DCS will be considered through an open process, and if hired, will be individually contracted as approved by the Board.

An employee of the charter school shall have the following rights:

- Any rights upon leaving the employment of a local education agency to work in the charter school that the local education agency may specify;
- Any rights of return to employment in a local education agency after employment in the charter school as the local education may specify; and
- Charter School employees, who become reemployed by Moreland School District within 39 months of separation from the District, shall be restored disregarding the break in service, as per California Education Code 44931.

E. Health and Safety

"The procedures that the school will follow to ensure the health and safety of the pupils and staff. These procedures shall include the requirement that each employee of the school furnish the school with a criminal record summary as described in Section 44237." - California Education Code Section 47605(b)(5)(F)

Prior to commencing instruction, Discovery Charter School will adopt and implement a comprehensive set of health, safety, and risk management policies. See Attachment 18: Health And Safety Policies. These policies will be developed in consultation with the School's insurance carriers and at a minimum will address the following:

- A requirement that all enrolling students and staff provide records documenting immunizations to the extent required for enrollment in non-charter public schools;
- Policies and procedures for response to natural disasters and emergencies, including fires and earthquakes;
- Policies relating to preventing contact with blood-borne pathogens;
- A policy requiring that instructional and administrative staff receive training in emergency response;
- Policies relating to the administration of prescription drugs and other medicines;
- A policy that the school will be housed in facilities that have received state Fire Marshal approval and that have been evaluated by a qualified structural engineer who has determined that the facilities present no substantial seismic safety hazard;
- A policy establishing that the school functions as a drug, alcohol, and tobacco free workplace;
- A requirement that each employee of the school, or employee of any contractor providing services to the school, submit to a criminal background check (including submission of fingerprints) and furnish at his own expense a criminal record summary as required by

Education Code Section 44237; and that each vendor of the Charter School will comply with the criminal background check sections of Education Code section 45125.1;

- A policy to prevent, report, and deal with any allegations of sexual harassment;
- A policy regarding fingerprinting and criminal background checks for on-campus volunteers;
- TB Testing for all staff and parent volunteers; and
- Vision, hearing, and scoliosis screening for students.

These policies will be incorporated as appropriate into the school's student and staff handbooks and will be reviewed on an ongoing basis in the school's staff development efforts and governing board policies.

Safety

DCS places a high priority on safety and on the prevention of student injury. The Executive Director or the Board shall establish regulations and procedures as necessary to protect students from dangerous situations.

Health Care and Emergencies

DCS recognizes the importance of taking appropriate action whenever an accident or illness threatens the safety, health, or welfare of a student at school or during school-sponsored activities.

To facilitate immediate contact with parents/guardians when an accident or illness occurs, the Board requires parents/guardians to furnish the school with current contact information.

F. Dispute Resolution

"A description of the procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to the provisions of the charter." - California Education Code Section 47605(b)(5)(N)

Charter School/Chartering Authority Dispute Resolution

The Boards of DCS and the District County agree to attempt to resolve all disputes regarding this charter pursuant to the terms of this section. All parties shall refrain from public commentary regarding any disputes until the matter has progressed through the dispute resolution process.

The intent of this dispute resolution process is to:

- Resolve disputes within the school pursuant to the school's policies;
- Minimize oversight burden on the District County;

- Ensure a fair and timely resolution to disputes; and
- Frame a charter renewal process and timeline so as to avoid disputes regarding renewal.

Disputes Arising From Within the School

Disputes arising from within Discovery Charter School, including all disputes among and between students, staff, parents, volunteers, advisors, partner organizations, and governing board members shall be resolved pursuant to the policies and processes developed by the School.

The ~~District-County~~ shall not intervene in any such internal disputes without the consent of the Board of DCS and shall refer any complaints or reports regarding such disputes to the Board or the Executive Director of DCS for resolution pursuant to the school's policies. The ~~District-County~~ agrees not to intervene or become involved in an internal dispute unless the dispute has given the ~~County District~~ reasonable cause to believe that a violation of this charter or laws or issues of student health or safety have occurred, or unless the Board of the School has requested the ~~District-County~~ to intervene in the dispute.

Disputes Between the School and the ~~District-County~~

In the event of a dispute between DCS and the ~~District-County~~, the Board of the School and the ~~District-County~~ agree to first frame the issue in written format and refer the issue to a County representative the Superintendent of the ~~District~~ and the Executive Director of the School. The written notification must identify the nature of the dispute and any supporting facts and the proposed resolution. In the event that the ~~District-County~~ believes that the dispute relates to an issue that could lead to the revocation of the charter under California Education Code Section 47607, this shall be specifically noted in the written dispute statement.

The Executive Director and the ~~Superintendent-County representative~~ shall informally meet and confer in a timely fashion to attempt to resolve the dispute. In the event that this informal meeting fails to resolve the dispute, both parties shall identify two members from their respective Boards who shall jointly meet with the ~~Superintendent of the District-County representative~~ and the Executive Director of DCS. If this joint meeting fails to resolve the dispute, the ~~Superintendent-County representative~~ and the Executive Director shall meet to jointly identify a neutral, third party mediator. Mediation shall occur before a mutually agreeable mediator who is skilled in the interest-based approach to mediating disputes in the public school setting. The format of the mediation session shall be developed jointly by the ~~Superintendent-County representative~~ and the Executive Director, and shall incorporate informal rules of evidence and procedure unless both parties agree otherwise. Each party shall bear its own costs and expenses related to the mediation. The mediator's fees and the administrative fees of the mediation shall be shared equally among the parties. Any recommendations of the mediator shall be non-binding, unless the Board of the School and the ~~District-County~~ jointly agree to bind themselves.

If mediation is not successful, then the parties agree to settle the controversy, claim, or dispute by arbitration conducted by a single arbitrator in accordance with the rules or guidelines of the American Arbitration Association. The arbitrator must be an active member of the California State Bar or a retired judge of the state or federal judiciary of California. Each party shall bear its own costs and expenses. However, any party who fails or refuses to submit to mediation shall bear all costs and

expenses incurred by such other party in connection with arbitration of any controversy, claim, or dispute.

IX. ADMISSIONS, ATTENDANCE, SUSPENSION/EXPULSION POLICIES

"Admission requirements, if applicable." - California Education Code Section 47605(b)(5)(H)

A. Student Admission Policies and Procedures

- Discovery Charter School believes that all children should have the opportunity to receive educational services.
- The staff shall encourage parents/guardians to enroll all school-aged children in school.
- DCS shall maintain procedures which provide for the verification of all admissions requirements specified in law and in DCS policies and regulations.
- DCS shall strive, through recruitment and admissions practices, to achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the District. See Attachment 18: Health And Safety Policies.
- Students shall be considered for admission without regard to ethnicity, national origin, gender or disability.
- DCS shall strive to achieve a student population from the District area who understand and value the Charter School's mission and vision statements and are committed to the Charter School's instructional and operational philosophy.
- Students who are currently under expulsion for any reason specified in California Education Code Sections 48900-48927 from any public or private school may not enroll in the School until the expulsion term has been documented as completed, the student completes the rehabilitation plan created by the former school or as created by DCS on behalf of the student, and the DCS Board finds in good faith, taking into account the seriousness of the offense, that admission of the student is consistent with the safety and well-being of the school or any persons at the school in any capacity or to the order necessary to carry out the School's educational mission. The Board shall adopt policies to ensure that such proceedings shall be carried out and such findings shall be made without regard to ethnicity, national origin, gender, or disability.
- Admission to DCS requires a commitment from both students and parents to the mission and vision of the School as set forth in the Charter. Prior to admission, all parents or guardians shall be required to attend a school orientation meeting and a school tour, after which they will be given an application packet. The completed application packet shall include a signed agreement indicating they understand and will abide by the School's philosophy, program, and policies concerning parent participation and fingerprinting and background checks. See Attachment 19: Draft Discovery Charter School Parent Agreement.

- DCS shall admit all students who complete an enrollment application and wish to enroll in the school subject only to capacity.

When a drawing is necessary after an enrollment period has ended, it shall be conducted in accordance with the preference groups established below, beginning with a drawing for all applicants who are members of the highest preference group that cannot be entirely accommodated within the available vacancies. A waiting list of applicants at each grade level shall be maintained to fill vacancies that occur during the school year. Applicants who were waitlisted in the previous year will be given preference within their numbered priority group in a subsequent year's lottery as noted below.

The initial school year enrollment, preference, in the case of a public random drawing at any grade level, shall be given in the following order:

1. Children of Founding Families. A DCS Founding Family is defined as parents or guardians who complete a combined total of 150 hours of volunteer time towards the establishment of the School as verified and approved by the DCS Board. This time must be completed no later than two weeks prior to the initial lottery drawing for the first year of operation (date to be determined).
2. Children of the paid staff of DCS.
3. Children of Volunteer Families. A DCS Volunteer Family is defined as parents or guardians who complete a combined total of 50 hours of volunteer time towards the establishment of the School as verified and approved by the DCS Board. This time must be completed no later than two weeks prior to the initial lottery drawing for the first year of operation (date to be determined).
4. Residents of Moreland School District (upon proof of residency).
5. Other California residents.

In subsequent school years, returning students shall not be part of a public random drawing. Enrollment preferences shall be given in the following order:

1. Siblings of currently enrolled students.
2. Children of Founding Families.
3. Children of the paid staff of DCS.
4. Children of Volunteer Families.
5. Siblings of DCS alumni.
6. Students on prior year's waitlist.
7. Residents of Moreland School District (upon proof of residency).
8. Other California residents.

B. Non-Discrimination

"The description of how the charter will ensure a racial and ethnic balance among its students that is reflective of the general population residing in the territorial jurisdiction of the school district to which the charter petition is submitted." - California Education Code 47605(b)(5)(G)

DCS programs and activities shall be free from discrimination. DCS will strive to achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the District. DCS will implement a student recruitment strategy (see Attachment 20: Discovery Charter School Marketing Plan) that includes, but is not necessarily limited to, the following elements or strategies:

- An enrollment process that is scheduled and adopted to include a timeline that allows for a broad-based recruiting and application process;
- The development of promotional and informational material that appeals to all of the various racial and ethnic groups represented in the District;
- The appropriate development of promotional and informational materials in languages other than English to appeal to limited English proficient populations;
- Outreach meetings in several areas of the District to reach prospective students and parents; and
- The distribution of promotional and informational materials to a broad variety of community groups and agencies that serve the various racial, ethnic, and interest groups represented in the District.

C. Public School Attendance Alternatives

"As applicable, describe the public school attendance alternatives for students in the district who choose not to attend the charter school." - California Education Code 47605(b)(5)(L)

Each student enrolled at Discovery Charter School will be informed that the student has no right to admission in a particular school of the District as a consequence of enrollment in DCS, except to the extent that such a right is extended by the District.

Students in the District who opt not to attend DCS may attend other District schools or pursue an inter-district transfer in accordance with existing enrollment and transfer policies of their district or county of residence.

D. Suspension/Expulsion Procedures

"Describe the procedures by which students can be suspended or expelled." - California Education Code 47605(b)(5)(J)

DCS will develop and maintain a comprehensive set of student discipline policies. See Attachment 21: Draft Pupil Suspension and Expulsion Procedures for draft policies. These policies will be printed and distributed as part of the school's student handbook and will clearly describe the school's expectations regarding, among other things, attendance, mutual respect, substance abuse, violence, safety, and work habits.

Each student and his parent or guardian will be required to verify that they have reviewed and understand the policies prior to enrollment. The School's Executive Director may, pursuant to the school's adopted policies, discipline and ultimately suspend or expel students who fail to comply with the terms of a remediation agreement, if any. Students who present an immediate threat to health and safety may also be immediately suspended and later expelled by the school's governing board upon recommendation of the Executive Director.

The School's policies will provide all students with an opportunity or due process and will be developed to conform to applicable federal law regarding students with exceptional needs. The School will notify the District-County of any expulsions and will include suspension and expulsion data in its annual performance report.

The School acknowledges the responsibility of each student, parent, volunteer, faculty, staff, and administrator to contribute to the well-being of the community by demonstrating responsibility and accountability for individual and group actions. It is the School's goal to enhance the quality of relationships, the quality of learning, and the quality of the community through shared responsibility.

X. FINANCIAL PLANNING, REPORTING, AND ACCOUNTABILITY

"The petitioner or petitioners shall also be required to provide financial statements that include a proposed first year operational budget, including startup costs, and cash flow and financial projections for the first three years of operation." - Education Code Section 47605(g).

A. Budgets

In Attachment 24: Discovery Charter School Multi-Year Financial Projections, please find the following:

- Projected operational budgets for the first five years of operation, including assumptions and a first year operational budget which includes startup costs.
- Cash flow projections for the first five years of operation.

These documents are based upon the best data available to the Petitioners at this time.

B. Financial Reporting

The Charter School shall provide reports to the District County as follows, and may provide additional fiscal reports as requested by the District County:

1. By July 1, a preliminary budget for the current fiscal year. For a charter school in its first year of operation, financial statements submitted with the charter petition pursuant to Education Code 47605(g) will satisfy this requirement.
2. By December 15, an interim financial report for the current fiscal year reflecting changes through October 31. In addition, on December 15, a copy of the Charter School's annual, independent financial audit report for the preceding fiscal year shall be delivered to the District, State Controller, State Department of Education and County Superintendent of Schools.
3. By March 15, a second interim financial report for the current fiscal year reflecting changes through January 31.
4. By September 15, a final unaudited report for the full prior year. The report submitted to the District County shall include an annual statement of all the Charter School's receipts and expenditures for the preceding fiscal year.

The DCS Board shall adopt and implement systems and processes, including establishment of a fiscal oversight committee and designation of a DCS liaison to work with the District County, to keep track of financial data and compile information in the prescribed format needed for the reports listed above and to ensure that the above information is provided to the District County in timely fashion

DCS intends to establish a competitive bid process balancing quality and price to solicit bids from business service companies with experience in payroll, charter school finance and financial reporting,

and other aspects of charter administration to ensure that DCS meets its payroll and other finance and financial reporting requirements in a timely manner. See Attachment 23: Proposal for Office Services.

C. Insurance

~~The Charter School will maintain, at its own expense, its own insurance policies for the operation of the Charter School, including but not limited to workers compensation, general liability, property, and errors and omission policies. DCS will secure and maintain general liability, workers compensation, and other necessary insurance coverage as required by the District. DCS may obtain this coverage directly or may be able to obtain it as a supplement through the current policy of the District. DCS will obtain quotes from the State Compensation Insurance Fund of California and other sources for budgeting purposes.~~

D. Administrative Services

Any charter-requested services from the ~~District County~~ will be on a fee-for-service basis by mutual agreement in a separate written agreement. Mutually agreed upon fees must be in place prior to the charter-requested service. DCS will establish a competitive bid process balancing quality and price to outsource any of the services not handled in-house.

The statutory supervisory oversight fee of 1% of the combined Charter School Block Grant funds of DCS, will be paid to ~~District County~~ for actual costs of oversight in accordance with Education Code section 47613.

Subject to availability, DCS may request ~~District County~~ services on a fee-for-service basis, including, but not limited to:

- Student health and human services, including access to school mental health and suicide prevention services, support from crisis team, and access to audiology services;
- Fingerprinting and criminal record processing;
- Processing of emergency credentials;
- Bilingual fluency testing;
- Non-stock requisition processing;
- Rubbish disposal;
- ~~District County~~ purchasing contracts;
- Environmental health/safety consultation;
- Field trip transportation;
- School mail;

- Student information system;
- Food services;
- Risk management; and
- Attendance accounting.

E. Facilities

Discovery Charter School will require a fully equipped, contiguous school site to successfully and safely operate its program. DCS desires to be located within the boundaries of Moreland School District.

Under Proposition 39, passed by California voters on 11/07/2000, school districts are required to "make available to each charter school operating within the school district, school facilities sufficient for each charter school to accommodate all of the charter school's in-district students in conditions reasonably equivalent to those in which the students would be accommodated if they were attending other public schools of the school district. In addition, the school district must make reasonable efforts to provide the charter school with facilities near to where the charter desires to be located." (See Education Code section 47614(b)).

The school district may charge the charter school a pro-rata share (based on the ratio of space allocated by the school district to the charter divided by the total space of the district) for those district facility costs which the district pays for with unrestricted general fund revenues. The charter school shall not be otherwise charged for use of district facilities. How this translates into actual cost to DCS will be decided in negotiations with the District.

The petitioners shall discuss with the County the specific terms, rights, and responsibilities related to the location of the Charter School on a District facility pursuant to Education Code Section 47614 and its implementing regulations.

F. Transportation

Since Discovery Charter School is a school of choice, it will be the responsibility of parents/guardians to provide transportation of students to and from the school. Bus transportation will not be provided.

G. Financial Audits

"The manner in which an annual, independent, financial audit shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority." - California Education Code Section 47605(b)(5)(I)

The DCS Board shall appoint an Audit Committee, which shall select an independent financial auditor and oversee audit requirements.

An annual audit of the books and records of DCS shall be conducted as required under the Charter Schools Act, section 47605(b)(5)(I). The books and records of the School shall be kept in accordance with generally accepted accounting principles, and as required by applicable law and the audit shall employ generally accepted accounting procedures.

The Audit Committee shall select an independent auditor. The auditor shall have, at a minimum, a CPA and educational institution audit experience. To the extent required under applicable federal law, the audit scope shall be expanded to include items and processes specified in applicable federal Office of Management and Budget ("OMB") Circulars.

It is anticipated that the annual audit will be completed within four months of the close of the fiscal year and that a copy of the auditor's findings will be forwarded to the ~~District~~, Santa Clara County Superintendent of Schools, the State Controller, and to the California Department of Education by December 15th each year. The School's Executive Director along with the audit committee will review any audit exceptions or deficiencies and report to the School's Board with recommendations on how to resolve them. The School Board will submit a report to the ~~District~~ County describing how the exceptions and deficiencies have been or will be resolved to the satisfaction of the ~~District~~ County. Any disputes regarding the resolution of audit exceptions and deficiencies will be referred to the dispute resolution process described in this Section (X, Financial Planning, Reporting, and Accountability) of the Charter.

H. Closure Protocol

"A description of the procedures to be used in the case of the decision by the charter authorizer or State Board of Education to revoke the school's charter, a decision by the charter authorizer not to review the charter, or a decision by the school to voluntarily close." - California Education Code 47605(b)(5)(P)

Oversight, Reporting and Renewal

Discovery Charter School and the ~~District~~ County agree to work together to accomplish all tasks necessary to fully implement this charter, including, but not limited to, the submission of any necessary and duly-prepared waiver requests to the State Board of Education.

The ~~District~~ County may inspect or observe any part of DCS at any time. The ~~District~~ County shall provide notice to DCS at least three working days prior to the inspection or observation unless the Charter School Board or Executive Director agrees otherwise. Inspection, observation, monitoring, and oversight activities may not be assigned or subcontracted to a third party by the ~~District~~ County without the mutual consent of the governing board of DCS.

Pursuant to California Education Code 47607(a)(1), DCS requests that the charter be granted for an original term of five (5) years. The ~~District~~ County agrees to receive and review the annual fiscal and programmatic audit and performance report as specified in the charter agreement. Within two months of receipt of this annual review, the ~~District~~ County shall notify the governing board of DCS as to whether it considers the school to be making satisfactory progress relative to the goals specified in its charter. This annual notification will include the specific reasons for the ~~District's~~ County's conclusions.

If the County governing Board of the District believes it has cause to revoke this charter, the District County agrees to notify DCS and grant the school reasonable time to respond to the notice and take appropriate corrective action prior to revoking the charter, unless the governing board has made a written determination that a severe and imminent threat to the health or safety of pupils exists.

The governing board of DCS may request from the District County Board a renewal of the charter at any time. The District County Board agrees to hear and render a renewal decision pursuant to the timelines and processes specified in the California Education Code Section 47605.

All official communications between DCS and the District County shall be in writing and shall be either hand delivered, sent by telecopy or facsimile, sent by U.S. Mail, postage prepaid, and addressed to those set forth below (except that a party may from time to time give notice changing the address for this purpose). A notice shall be effective either when personally delivered, on the date set forth on the receipt of a telecopy or facsimile, or upon the earlier of the date set forth on the receipt of registered or certified mail or on the fifth day after mailing.

Executive Director
Discovery Charter School
P.O. Box 1484
Campbell, CA 95009-1484

Santa Clara County Office of Education
1290 Ridder Park Drive
San Jose, CA 95131-2304
Superintendent
Moreland School District
4711 Campbell Avenue
San Jose, CA 95130

Charter Petition Revocation

The charter granted pursuant to this Petition may be revoked by the District County if the District County finds that DCS did any of the following:

- Committed a material violation of any of the conditions, standards, or procedures set forth in this petition;
- Failed to meet or pursue any of the pupil outcomes identified in the Charter;
- Failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement; or
- Violated any provision of the law.

Prior to revocation, the District County will notify DCS of any violation (as set forth above) in writing, and give the school a reasonable opportunity to cure the violation, unless the District County determines, in writing, that the violation constitutes a severe and imminent threat to the health and safety of the students.

The following procedures shall apply in the event the charter school closes. The following procedures apply regardless of the reason for closure.

Closure of the School shall be documented by official action of the Board of the Charter School. The action shall identify the reason for closure. The Board shall promptly notify the State Board of Education, within 10 business days, of the closure and the effective date of the closure.

In the event of closure or dissolution of DCS, the Board of Directors shall delegate to the Executive Director the responsibility to manage the dissolution process. The Board shall ensure notification to the parents and students of the school of the closure and provide information to assist parents and students in locating suitable alternative programs. This notice shall be provided promptly, within ten (10) business days following the Board's decision to close the school. As applicable, the school shall transfer all appropriate student records to the District County. All transfers of student records shall be made in compliance with the Family Educational Rights and Privacy Act ("FERPA"), 20 U.S.C. §1232g.

As soon as reasonably practical, the School shall prepare final financial records. The School shall also have an independent audit completed as soon as reasonably practical, which period is generally no more than six months after closure. The school shall pay for the final audit. The audit shall be prepared by a qualified Certified Public Accountant selected by the school and shall be provided to the District County promptly upon completion.

On closure of the School, all assets of the School, including, but not limited to, all leaseholds, tangible and intangible personal property, and all ADA apportionments and other revenues generated by students attending the school, remain the sole property of the corporation and shall be distributed in accordance with the School's articles of incorporation and applicable law upon dissolution of the School. On closure, the School shall remain responsible for satisfaction of all liabilities arising from the operation of the school.

As the School is organized as a nonprofit public benefit corporation under California law, the Board shall follow the provisions set forth in the California Corporations Code for the dissolution of a nonprofit public benefit corporation, and shall file all necessary filings with the appropriate state and federal agencies.

XI. ATTACHMENTS

The following attachments are intended to provide additional information regarding the proposed Discovery Charter School. These documents are intended for informational purposes only and to assist the District-County in understanding how the proposed School may operate. These, as informational documents, do not constitute a legally binding contract or agreement, are not intended to govern the relationship of DCS and the DistrictCounty, and are not a part of the charter of the School or any related agreements or memoranda of understanding.

ATTACHMENT 1: IMPLEMENTATION PLAN

Sept 2005:

Establish list of school policies and timelines for development as outlined in the Plan for Policy Development Attachment 2: Plan for Policy Development

Oct 2005:

Design school websites

Nov 2005:

File for 501(c)(3) status
Setup Administrative Offices
Post Executive Director Opening

Dec 2005:

Submit Prop 39 Facilities Request

Jan 2006:

Conduct school enrollment

Feb 2006:

Develop school calendar
Post staff openings

June 2006:

Determine classroom assignments

July 2006:

Finalize student and parent handbook
Move into school property and start classroom setup etc.
Finalize all insurance contracts

Aug 2006:

Conduct employee orientation/professional development academy
Conduct parent orientation meetings
Open School
Develop parent volunteer schedule

Sept 2006:

Conduct parent academy

ATTACHMENT 2: PLAN FOR POLICY DEVELOPMENT

Charter Development Committees will assess the following list of policies, identify which policies will be needed for the school, and will draft needed policies for review and adoption by the Charter School Board prior to July 1, 2006.

Board Bylaws

Role of Board and Members (Powers, Purposes)

Public Statement

Disclosure of Confidential Information

Organization

Terms of Office

President

Secretary

Clerk

Attorney

Board Representatives

Members

Governing Board Elections

Resignation

Filling Vacancies

Remuneration/Reimbursement/and other benefits

Training of board members

Legal Protection

Conflict of Interest

Governance

Policy Manual

Board Policies

Board Bylaws

Administrative Policies

Meetings and Notices

Closed session purpose and agendas

Closed session conduct and reports

Agenda/meeting materials

Meeting Conduct

Action by the Board

Minutes

Board Self-Evaluation

Business and Non-Instruction Operation

Budget

Budget Planning and Administration

Fees and Charges

Sale and Disposal of Books, Equipment and Supplies

Gifts, Grants, and Bequests

Expenditures/Spending Authority

Purchasing Policies
Bids
Contracts
Payment for Goods and Services
Claims and Actions Against the School
Travel Expenses
Management of School Assets/Accounts
Investing
Inventories
Student Activity Funds
Financial Reports and Accountability
Operations and Maintenance of School
Tobacco-Free Schools/Smoking
Environmental Safety
Hazardous Substances
School Safety and Security
Crime Data Reporting
Disruptions
Recovery of Property Loss or Damage
Sex Offender Notification
Insurance Management
Transportation
Transportation for Special Education
Transportation for Students with Disabilities or Handicapped
Food Service
Food Service Operations
Free and Reduced Lunch Program
Other Food Sales
Program Council Operating Policies
Annual Site Visitation Protocol

Personnel Policies

Affirmative Action
Nondiscrimination in Employment
Recruitment and Selection
Health Examinations
Maintenance of Criminal Offender Records Information
Personnel Records
Assignment/Classification
Certification
Contracts
Scheduling/Hours of Employment
Promotion/Demotion/Reassignment
Evaluation/Supervision
Resignation
Personnel Reduction
Dismissal
Suspension/Disciplinary Action

Sexual Harassment
Unauthorized Release of Confidential Information
Political Activities of Employees
Duties of Personnel
Temporary/Substitute Personnel
Shared Teaching Assignments
Staff Development
Soliciting and Selling
Non-school Employment
Employee Safety
Blood-borne Pathogens
Drug and Alcohol Free Workplace
Employee Security
Personal Leaves
Military Leaves
Family Care Leave
Employees with Infectious Disease
Non-certificated personnel
Signed Statements
Employee use of Technology
Employment of Relatives

Student Policies

Parents Rights and Responsibilities
Noncustodial Parents
Admission and Admissions Preferences
District Residency
Absence and Excuses
Truancy
Work Permits
School Attendance Boundaries
Transfers
Students Expelled from other Districts
Grades/Evaluation of Student Achievement
Promotion/Acceleration/Retention
Discipline
Suspension and Expulsion/Due Process
Communications with Parents/Guardians
Student Records
Release of Directory Information
Withholding Grades, Diploma or Transcripts
Challenging Student Records
Graduation Ceremonies and Activities
Conduct
Bus Conduct
Campus Disturbances
Vandalism, Theft and Graffiti
Alcohol and Other Drugs

Tobacco
Weapons and Dangerous Instruments
Dress and Grooming
Gangs
Health Care and Emergencies
Administering Medications
Infectious Diseases
Infectious Diseases Prevention
Tuberculosis Testing
Health Examinations
Immunizations
Head Lice
Child Health and Disability Prevention Program
Safety
Crossing Guards
Insurance
Search and Seizure
Freedom of Speech/Expression: Publications Code
Nondiscrimination
Notifications Required by Law
Parental Notifications
Sexual Harassment

Instruction Policies

Parent Participation Policy
Emergencies and Disaster Preparedness Plan
Ceremonies and Observances
Curriculum Development and Evaluation
Recognition of Religious Beliefs and Customs
Multicultural Education
Family Life/Sex Education
AIDS Prevention Instruction
Comprehensive Health Education
Courses of Study
Controversial Issues
Extracurricular and Co-curricular Activities
Differential Promotion and Competency Standards For Individuals with Exceptional Needs
Elementary School Promotion/Standards of Proficiency
School-Sponsored Trip
Homework/Make-up Work
Independent Study
Individualized Education Plan
Procedural Safeguards and Complaints
Non-public Nonsectarian School and Agency
Services for Special Education
Behavioral Intervention
Selection and Evaluation of Instructional Materials
Supplementary Instructional Materials

Damaged or Lost Instruction Materials
Use of Copyrighted materials
Use of Technology in Instruction
Student Assessment
Standardized Testing and Reporting
Student Study Teams
Identification and Education Under Section 504
Identification of Individuals with Exceptional Needs
Gifted and Talented Student Program
Education for English Language Learner
Education for Students of Limited English Proficiency
Summer School
Home and Hospital Instruction

Facilities

Evaluating Existing Buildings
Relations with Other Governmental Units
Methods of Financing

ATTACHMENT 3: DISCOVERY CHARTER SCHOOL BOARD AND COMMITTEE MEMBERS

The following information is supplemental to the Discovery Charter School petition as evidence of the parental support representing the petitioners. Brief experience summaries are included to show the breadth and depth of skills and talents this group possesses, including educational background, work experience, credentials, degrees, and certifications.

Sandy Bennett: (Committee Member, Human Resources)

Director of Client Services for Sequoia Benefits, a benefits consulting firm. Experience: Over 20 years of human resources experience, HR Analyst, VP of HR; management experience. B.S. in Political Science and Masters in Public Policy.

Debbie Berge: (Director, Chair of the Facilities Committee)

Full Charge Bookkeeper/Payroll Administrator for Law Offices of James E. Berge. Experience: Title Officer - Stewart Title; Purchasing Assistant for GE Supply Co. Board member Moreland Area Community Centers. B.S. in Business Admin., CA State University, Sacramento.

Ingrid Brand: (Committee Member, Facilities)

Student at West Valley College. Experience: Foreign investment advisor, ABN Amro Bank, Rotterdam; Marketing and Sales Management Coordinator, Netherlands; Destination ImagiNation Team Manager and Sectional Judge.

Carla Breunling: (Committee Member, Finance; Grant Controller)

Business Planning Analyst, Hewlett-Packard Company. Experience: Finance Operations Manager; Senior Financial Analyst and Accounting Supervisor for Hewlett Packard Divisions. B.S. in Accounting and M.A. in Business Admin., Santa Clara University.

Barbara Eagle: (Chairman of the Board of Directors and President , Chair of the Community Relations Committee)

Co-Founder Eaglevision Productions, VP of Marketing & Business Development. Experience: Special Projects Director, Sun Microsystems; Executive Director, CineCom; Genographics Corp.; Marketing Manager, Sorcim. B.S. in Art Direction, San Jose State University.

David Givens: (Director and Vice-President , Chair of the Finance Committee, Director of the Grant) Patent Attorney. Member of State Bar of California and U.S. Patent Bar. Experience: legal software design, Fenwick & West; Corporate and Immigration Attorney, Fenwick & West. J.D./M.B.A., Stanford University; B.S. in Chemical Engineering, Texas A&M.

Karen Gumaer: (Director, Chair of the Academic Accountability and Curriculum Committee)

Member California State Bar Association. Experience: Attorney for Popelka, Allard, McCowan & Jones. Attorney for Arbitration Dept. of Natl. Assoc. of Securities Dealers. B.A. in Political Science, Scripps College; Graduate of University of Santa Clara School of Law.

Peter Gumaer: (Legal Counsel for the Corporation, Chair of the Governance Committee)
Member State Bar of California. Practices in the Federal Courts of the Northern District of California. Practice includes civil litigation and appellate matters. Experience: real estate and business litigation; served as Judge Pro Tem for Small Claims Court. B.S. in Engineering, Harvey Mudd College; Law Degree, Santa Clara University.

Robin Helf: (Committee Member, Grants)
Marketing Consultant. Experience: Content and web site development for Java-based financial applet; Senior Product Manager, eSignal; Market Research Manager, Info World Publishing. Graduate of Kenan-Flager School of Business; MBA, University of North Carolina; B.A. in Business and French, Theil College.

Cindy Hellmann: (Director and Secretary , Chair of the Human Resources Committee, member of the Finance Committee)
Compensation & Benefits Representative, City of Sunnyvale. Experience: Corporate Benefits Manager. B.S. in Business Administration & Human Resources, CA State Sacramento.

Andee Isaacs: (Committee Member, Human Resources; Grants)
Training and Development Specialist for DHL. Experience: Compensation Analyst, DHL; Compensation Assistant, Fujitsu. Certificated Compensation Professional (CCP), American Compensation Association; Graduate UC Davis.

Joe Isaacs: (Committee Member, Finance; Grants)
Manager Profit Analysis - Space Systems Loral. Certified Public Accountant. Experience: Program Financial Analyst, Internal Auditor at SS/L; Senior Auditor - Deloitte & Touche. Masters of Professional Accounting (MPA) and BBA, University of Texas in Austin.

Joanne Norlin: (Director and Treasurer , Chair of the School Operations Committee)
CFO Spectrum Infinity, Inc., an investment/property management company. Experience: Mathematics Instructor at: San Diego State University, University of CA Davis and CA State Sacramento. B.A. in Spanish and M.S. in Mathematics, San Diego State University.

Patti Rimland: (Committee Member, Technology; Curriculum)
Employed by Santa Clara University, working on a project to integrate community-based projects into the engineering curriculum. Experience: Technology Co-Chair, EDS; Board Secretary, The Friends of Houge Park; Operations Manager, Silma, Inc. B.S. in Mechanical Engineering, Colorado State University; B.S. in Physiology, UC Davis.

Rudy Rimland: (Committee Member, Technology)
CEO, Queen's Knight, Inc., a technical project management company. Experience: Technology Co-Chair, EDS; Engineering Special Groups and Testing, Sun Microsystems; The Friends of Houge Park.

Iztok Stajner: (Director, Chair of the Technology Committee)

Founder/CTO appolutely.com, a web application solutions company. Experience: Director of Web Development – Compareitall; Corporate Webmaster - First Franklin Financial & Norian. Masters degree in Management Information Systems (equivalent), University of Maribor.

Tricia Wing: (Director, Member of the School Operations Committee)

EDS transition team member for the past two years. Cornerstone parent facilitator. Experience: budget coordinator for San Jose Mercury News; statistical reporting & accounting.

ATTACHMENT 4: STRATEGIC PARTNERS

California Charter Schools Association

The California Charter Schools Association (CCSA) is a professional membership organization serving more than 500 public charter schools in the State of California. The CCSA mission is to increase student achievement by strengthening and expanding public charter schools throughout California.

The Association's vision is that by the year 2014, more than 10 percent of California public school students, representing over 670,000 students, will be attending high quality public charter schools.

The Association serves its membership and strengthens the charter school movement through its focus in the following areas:

- *Advocacy*
The Association is the collective grassroots voice of California's charter schools and charter school stakeholders. CCSA aggressively advocates for increased flexibility and funding for all public charter schools.
- *Leadership & Quality*
The Association focuses on leadership development and accountability in a manner that helps the charter school movement to grow. The goal is to bring high-quality charter schools to every community in order to bring about lasting reform.
- *Membership Services & Products*
The Association provides an array of products, services, expertise, and financial tools to strengthen the member schools and allow them to focus on what matters most—educating students.

Spector, Middleton, Young & Minney, LLP

The Charter Law team of Spector, Middleton, Young & Minney, LLP has been providing expert, effective, and responsive legal advice to California's charter school community since the inception of the Charter Schools Act of 1992. They are the leader in all areas of law that are most significant to the successful development and operation of a charter school such as: labor and employee matters, student discipline, constitutional claims, facilities, finance, and nonprofit corporate issues. The firm has experience with representation before state and federal courts and administrative bodies.

Spector, Middleton, Young & Minney have assisted hundreds of charter schools in the successful development and operations of charter schools. They currently represent more than 200 charter schools, CCSA/CANEC, Charter Schools Development Center (CSDC), insurers, private schools, and businesses providing support services to schools in California.

Spector, Middleton, Young & Minney emphasize a preventative approach to law by helping their clients anticipate legal difficulties, minimize exposure to legal claims and fees, and prevent

operational disruptions. The legal team is well prepared to assist our charter school in every aspect of the school creation, expansion, and operation.

Vogel & Associates

Vogel & Associates is a California-based consulting firm, located in San Francisco, serving a broad spectrum of education clients. Vogel & Associates utilizes a customized and unique process in providing advisory services in that both *practicing and retired* chief financial officers, chief personnel officers, fiscal services directors, information system experts, and accounting staff are actively included in critical phases of their comprehensive business advisory services. The firm takes pride in staying up-to-date in all aspects of California school business administration. Cathi Vogel, the president of Vogel & Associates, has more than 20 years experience as the chief financial and/or business officer for several California school districts.

The firm's goal is to provide assistance to charter schools and other educational agencies with comprehensive business management consulting services. Services provided in areas of education business include asset management, business plan, budget review, cost benefit analyses, multi-year strategic financial projections, organizational design and structure, facilities planning and finance, coordination of short- and long-term financing for school needs, compensation analysis, and other fiscal management services.

Lanahan & Reilley, LLP

Lanahan & Reilley is one of Northern California's leading law firms. They represent a dynamic and growing clientele in regional, national and international markets and serve major worldwide corporations, medium and small businesses, and individuals. The firm provides a full range of legal services with particular emphasis in business, litigation, environmental law, employee-labor law, estate planning, finance, family, entertainment, construction and real estate law.

The mission of Lanahan & Reilley is to provide a broad range of result oriented legal services in a fair and efficient manner. They are passionate about the quality of their work and are dedicated to client satisfaction, employees' well-being, and community.

The attorneys of Lanahan & Reilley are concerned about the communities in which they practice. In addition to participating in various state, local and specialized bar association committees, the firm encourages its attorneys to become involved in local charities and civic organizations.

Sherri Vasquez, Educator

In her thirteen years as an employee of Moreland School District, Ms. Vasquez has worked as a teacher of a multi-age primary program, a Curriculum Specialist, a Literacy Mentor, and a New Teacher Support Provider. She has developed and implemented staff development at the site and district level as well as the university level in extension programs for the University of Phoenix and Santa Clara University. Ms. Vasquez served on the development committee for the original Moreland Discovery School and, as one of the four founding teachers, helped design the development-based curriculum and the original parent participation model.

Ms. Vasquez holds a bachelor's degree in Child Development and a Masters Degree in Higher Education from SJSU.

Dr. David Patterson, Executive Director of Rocklin Academy Charter

Dr. Patterson has more than 25 years of experience in education and education reform at the federal, state and, local levels in both higher education and in K-12 education. He served as the California Department of Education's staff expert on charter schools, assisting and guiding charter school developers throughout California to create new and innovative schools in their communities. While serving on the Board of Trustees of the Rocklin Unified School District, Dr. Patterson had a dream to develop, in Rocklin, an educational choice that embodied the highest quality educational program along with a full partnership with families. As part of a grassroots coalition of parents, educators, and community members in Rocklin, he spent over two years developing the vision and educational foundation for Rocklin Academy. Dr Patterson is currently assisting the Discovery Charter School Development Group in developing and implementing their own vision for a new charter school in San Jose.

Dr. Patterson's past experience includes: serving on both the Board of Trustees of Rocklin Unified School District (1996-1999) and the Board of Trustees of Del Paso Heights Elementary School District (1987-1994); Interim Executive Director for CANEC, the California Network of Educational Charters (California's statewide charter schools organization); Director of Governmental Relations and Advocacy for the California Network of Educational Charter; Education Program Consultant for the Charter Schools Office, California Department of Education; Education Program Consultant, Regional Programs and Special Projects Division, California Department of Education.

Dr. Patterson holds a Doctorate in Education, Administration and Policy from the University of Southern California; a Master of Arts in Higher Education Administration from George Washington University; and a Bachelor of Arts in Political Science from the University of California, Los Angeles.

Colliers International, Commercial Real Estate

Chris Twardus, Vice President of Colliers International, has specialized in land sales and investment properties for the past seventeen years. With a concentration focused on the sale and development of residential subdivision land, Mr. Twardus has also been active with various residential product types such as mid-density and high-density developments, as well as government subsidized projects working with local, state, and federal financing. Mr. Twardus is currently working with the Discovery Charter School's Facilities Committee to review facilities options for the new charter school. His clients include Franklin McKinley School District, Morgan Hill School District, and San Jose Unified School District.

Diann Kueny

Diann Kueny has been involved in education since 1989 as an active parent and educator in San Diego County, California. She currently holds the following Clear California teaching credentials: Multiple Subject and Single subjects K-12; K-12 Computer and Applications Credential; K-12 CLAD credential; and K-12 Preliminary Administrative California Credential. She also holds an MS in Educational Technology. Diann started her education career in 1992 working primarily in a K-5 multi-age, team-teaching elementary school. Diann's educational experience includes all aspects of curriculum planning for grades K-12, K-12 technology planning and implementation (three years Director of Technology for Coronado Unified School District, seven years Technology Site Coordinator and teacher for El Cajon Valley High School), and nine years Adjunct Core University

Professor for an MS Educational Technology program. She has been a state grant reader and groomer for seven years, has written grants, and has participated in many educational committees at the local school, county, and state levels.

ATTACHMENT 5: A DAY IN THE LIFE OF A KINDERGARTENER

Sami is eager to get to school this morning. He wants to get to school early so that he has time to tell his teacher about the book on sharks that he checked out from the library. He is happy to see the door already open and hurries to put away his things and join his classmates. He signs in and chats with his teacher a while about the book. He has become very interested in ocean life over the last couple of months since the classroom has been immersed in the ocean theme and much of the learning happening there is centered around it. Yesterday the class participated in their weekly thematic centers which integrate all the curricular areas around the Ocean Theme. The centers are designed by the teacher to cover content standards and facilitated by the teacher herself and a group of parents. Sami worked in a center where he created a book about sharks, while other students built food chains, tested the temperature of different oceans, and wrote math stories using ocean animals. Sami took his shark book home to read to his parents and then went to the library to get more information.

Sami's teacher calls the class together for a morning meeting. Sami shares about his trip to the Aquarium when his teacher asks the class if they have any news. Then she goes over the day with the class and reads a book to the class, *Swimmy*, which is part of their current author study of Leo Lionni. Sami enjoys the story, but is waiting patiently for what he knows comes next... Writer's Workshop! He is eager to write about his weekend! The students are dismissed to write. Some work on books they have already started about sea creatures, others start new ones. Some students work in their journals. Each table has a parent stationed at it to help students develop their ideas and move through the writing process. These parents have been specially trained to facilitate student writing without taking away their independence so students get exactly the right amount of support. The students in this K/1 class love to write and share their writing in the Author's Chair with their classmates!

After Writer's Workshop, the students move into Reading Centers. Sami is in kindergarten, but is reading at above a first grade level already. He joins his reading group made up of Kindergarten and First Grade students who all read at the same instructional level. Each reading group is working with a parent or the teacher. Some groups are reading and responding to literature and one group is playing a spelling game. The room has a quiet buzz as children enjoy learning to read.

At recess, Sami hurries out to eat snack with his classmates. Sami's family has taken their monthly turn to bring snack for the class, and Sami's mother is out at the table with the student Snack Helpers setting up the snack. Students eat community style, passing food and pouring water independently. On the playground, Sami is happy to see his Fifth Grade reading buddy. He tells him a little about the otters he saw at the aquarium since they were just like the ones in a book he and his buddy were reading last week together, and then runs off to find some of his classmates.

Because it is Friday, after recess is Club Time instead of the math centers that students usually enjoy at that time. Each week students in Sami's room are mixed with the students next door for Clubs. Last week, Sami's group was in the Drama Club. They are learning about different kinds of music and enjoy acting out stories and learning to dance. Sami always looks forward to Drama, but today is his group's day to cook! The teacher reads a story to the children and then goes over the giant recipe. Today they are making Blueberry Muffins. Each group of about four or five students works with a parent to read the recipe, measure ingredients, mix, stir, pour, and even set the oven temperature. While they wait for the muffins to bake, the students clean up and then write in their cooking journals about the experience. They eat the muffins together and then get a recipe of their own to take with

them to try at home. Next door, Sami can hear the familiar Bubble Music he remembers from a creative movement activity in the Drama Club. Next week, Sami's group will visit the Garden Club facilitated by a parent trained to facilitate the Jr. Master Gardener program with students. The group has been working in their garden now for a few months and is waiting patiently for their winter vegetables to be ready to pick. Maybe next week!

While the kindergartners at most schools go home before lunch, Sami and his kindergarten friends have a longer school day. His teacher says that is because there is so much to learn, but Sami doesn't want to go home anyway. After lunch, the students come in to read from their own book collection, specially designed to meet each child's reading needs. Sami's teacher walks around as children read, asking each to read a little to her. Sami has out his library book about sharks. His teacher asks him to read from it and talks a little with Sami about what he has learned. She suggests that Sami might want to choose the great white shark as a topic for the animal projects students will begin later in the month. Sami thinks it might be hard to choose which shark is the most interesting! After their practice reading time, the students get together for a read aloud and a quick partner math game. Sami is partnered with a kindergarten friend for this, since his math skills are more typically kindergarten.

Finally, it is time to go home. Sami can't wait until he is a first grader and gets to stay an hour longer. He hears all about what the first graders do after the kindergartners leave—writing, reading, more math—and it all sounds like fun. Sometimes they share their work with the class the next morning and it always gives Sami good ideas. Sami says good bye. His family has plans to visit the Aquarium this weekend. Sami can't wait to get back to school on Monday and tell everyone about what he learns there!

ATTACHMENT 6: A DAY IN THE LIFE OF A SIXTH-GRADER

It is 7:30 am and Angela is in a hurry to get to school. As a sixth grader at Discovery Charter School, this is her first opportunity to appear in the morning announcements on Discovery TV ("DTV"). Angela and her two classmates have been working over the past few weeks creating a video presentation about the Greek Festival next week, and it will be shown to the whole school this morning. The Festival is the culmination of the sixth grade study of Ancient Greece, and will include drama presentations, chariot races, games, dances, and food of Ancient Greece for the whole school to enjoy. Many parents have been working with the sixth grade students, preparing costumes, scenery, and projects for the festival.

After her appearance on DTV, Angela goes to Language Arts, Social Studies, and Reading. Angela's first center is with a parent volunteer and five other students working on writing a five-paragraph essay on The Trojan War. Then she rotates with these students to a center along with another parent to create Myth Cards, with drawings and facts about Greek gods. Finally, Angela and her group join her teacher to read and discuss Aesop's Fables. For homework, the class is asked to write their own modern day fable in the style of Aesop's writing.

After morning break Angela heads to Science class, where they are studying Plate Tectonics and the Earth's Structure. There are four different groups of students moving through the day's activities. One group of students is working with a parent volunteer doing an experiment on liquefaction. Angela's group, guided by another parent, is creating a tour guide illustrating the various layers of the earth using different media – collage, mosaic, etc., and writing definitions for each layer. A third group is working independently on the computers in the classroom, answering questions about earthquakes from the California Geological Survey web page. The last group has joined the teacher to review the textbook sections on this topic. The students are assigned vocabulary words from this unit, as well as specific research questions about earthquakes around the world, as their daily homework.

As Angela enters her Math class, her group is working with a parent volunteer graphing batting averages of professional baseball players, the speed of cyclists in the Tour de France, and other records taken from various sources. Her group then joins their teacher for a lesson from their textbook on algebraic equations. But Angela's favorite activity today is outside with another parent where her group creates a huge number line, including positive and negative numbers, on the blacktop with different colors of chalk. In her last center, along with a parent, they do several calculating activities using giant dice, construct individual pyramids from paper, and calculate the area and other measurements of the pyramids they constructed, as well as other geometrical shapes.

After lunch Angela looks forward to PE class where sixth graders are involved in an exciting tournament of Ultimate Frisbee Golf and a juggling marathon based on teams using different objects to juggle.

Angela's favorite class comes at the end of her day – which is either Art, Performing Arts, or Foreign Language. Today, Angela's art class is busy studying the art of M.C. Escher and creating tessellations. The class writes a short essay on Escher, this technique, and the historical context of this art form to accompany their tessellations.

After school, Angela usually volunteers at the Enrichment Center, staffed by parent volunteers, where she reads with a small group of elementary school students. Then she goes to her music lesson taught by a parent. But today is different. Angela is excited to participate in Justice Circle, a Restorative Justice program administered by parent volunteers and a student counselor from a local college. The group listens to a case of a fellow student who stole some money from another student's backpack. They decide that the student who stole the money should repay it and also spend a few days during lunch with the counselor and the other student, getting to know each other.

Angela can't wait to tell her family what she learned today and to see what her Mom or Dad will do during their workday in Angela's class tomorrow.

**ATTACHMENT 7: CALIFORNIA STATE BOARD OF EDUCATION POLICY 89-01 (1994):
PARENT INVOLVEMENT IN THE EDUCATION OF THEIR CHILDREN**



California State Board of Education Policy

POLICY #
89-01
DATE
September 1994

PARENT INVOLVEMENT* in the Education of Their Children

<p>REFERENCES</p> <p>HISTORICAL NOTES</p> <p>Originally adopted January 1989. Revised September 1994.</p>

A critical dimension of effective schooling is parent involvement. Research has shown conclusively that parent involvement at home in their children's education improves student achievement. Furthermore, when parents are involved at school, their children go farther in school, and they go to better schools.

From research studies to date, we have learned the following important facts:

1. Families provide the primary educational environment.
2. Parent involvement in their children's education improves student achievement.
3. Parent involvement is most effective when it is comprehensive, supportive, long-lasting and well-planned.
4. The benefits of parent involvement are not limited to early childhood or the elementary level; there are continuing positive effects through high school.
5. Involving parents in supporting their children's education at home is not enough. To ensure the quality of schools as institutions serving the community, parents must be involved at all levels in the schools.
6. Children from low-income and culturally and racially diverse families have the most to gain when schools involve parents. The extent of parent involvement in a child's education is more important to student success than family income or education.
7. We cannot look at the school and the home in isolation from one another; families and schools need to collaborate to help children adjust to the world of school. This is particularly critical for children from families with different cultural and language backgrounds.

Schools that undertake and support strong comprehensive parent involvement efforts are more likely to produce students who perform better than identical schools that do not involve parents. Schools that have strong linkages with and respond to the needs of the communities they serve have students who perform better than schools that don't. Children who have parents who help

* Parent involvement refers to the efforts of any caregiver who assumes responsibility for nurturing and caring for children, including parents, grandparents, aunts, uncles, foster parents, stepparents, etc. Many schools are now using the alternative term "family involvement."

California State Board of Education
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them at home and stay in touch with the school do better academically than children of similar aptitude and family background whose parents are not involved. The inescapable fact is that consistent high levels of student success are more likely to occur with long-term, comprehensive parent involvement in schools.¹

The California State Board of Education recognizes that a child's education is a responsibility shared by school and family during the entire period the child spends in school. Although parents come to the schools with diverse cultural backgrounds, primary languages, and needs, they overwhelmingly want their children to be successful in school. School districts and schools, in collaboration with parents, teachers, students, and administrators, must establish and develop efforts that enhance parent involvement and reflect the needs of students and families in the communities which they serve.

To support the mission of California schools to educate all students effectively, schools and parents must work together as knowledgeable partners. All of the grade level reform: Here They Come: Ready or Not! It's Elementary, Caught in the Middle, Second To None, and other major initiatives such as Healthy Start (SB 620) and School Restructuring (SB 1274), emphasize parent and community involvement in school restructuring. The reform efforts support school based shared decisionmaking at the school site that includes all stakeholders, including teachers, administrators, students, parents, and other community members.

The State Board of Education will continue to support, through the California Department of Education, assistance to school districts and schools in developing strong comprehensive parent involvement. Comprehensive means that parents are involved at all grade levels in a variety of roles. The efforts should be designed to:

1. Help parents develop parenting skills to meet the basic obligations of family life and foster conditions at home which emphasize the importance of education and learning.
2. Promote two way (school-to-home and home-to-school) communication about school programs and students' progress.
3. Involve parents, with appropriate training, in instructional and support roles at the school and in other locations that help the school and students reach stated goals, objectives, and standards.
4. Provide parents with strategies and techniques for assisting their children with learning activities at home that support and extend the school's instructional program.
5. Prepare parents to actively participate in school decisionmaking and develop their leadership skills in governance and advocacy.
6. Provide parents with skills to access community and support services that strengthen school programs, family practices, and student learning and development.

¹ Henderson, Arno T. and Nancy Berla. A New Generation of Excellence: The Family is Central to Student Achievement. National Committee for Citizens in Education, 1994.



OBJECT

Parent Involvement in the Education of Their Children

POLICY #	19.00
DATE	September 1994

These six types of parent involvement roles require a coordinated schoolwide effort that has the support of parents, teachers, students, and administrators at each school site. Furthermore, research indicates that home-school collaboration is most likely to happen if schools take the initiative to encourage, guide, and genuinely welcome parents into the partnership. Professional development for teachers and administrators on how to build such a partnership is essential.

The issue of parent involvement in the education of their children is much larger than improving student achievement. It is central to our democracy that parents and citizens participate in the governing of public institutions. Parent involvement is fundamental to a healthy system of public education.

ATTACHMENT 8: CITED CURRICULUM REFERENCES

Bingham, Anne A. *Exploring the MultiAge Classroom*. Stenhouse Publishers, Sept. 1, 1995.

Jensen, Eric. *Teaching with the Brain in Mind*. Alexandria, VA: Association for Supervision and Curriculum Development, April 1, 1998.

McBrien, J.L. and Brandt, R.S. *The Language of Learning: A Guide to Education Terms*. Alexandria, VA: Association For Supervision and Curriculum Development, 1977.

Ostrow, Jill. *A Room with a Different View*. Stenhouse Publishers, Sept. 1, 1999.

Tomlinson, C. *The Differentiated Classroom: Responding to the Needs of All Learners*. Alexandria, VA: Association for Supervision and Curriculum Development, April 1, 1999.

ATTACHMENT 9: PLAN FOR SECTION 504 COMPLIANCE

In order to serve a student with a Section 504 accommodation plan, a 504 team will be assembled by the Executive Director and shall include qualified persons knowledgeable about the student, the meaning of the evaluation data, placement options and the legal requirements for least restrictive environment. The 504 team will review the student's existing records, including academic, social and behavioral records and is responsible for making a determination as to whether an evaluation for 504 services is appropriate. If the student has already been evaluated under the IDEA, those evaluations may be used to help determine eligibility under Section 504. The student evaluation shall be carried out by the 504 team who will evaluate the nature of the student's disability and the impact upon the student's education. This evaluation will include consideration of any behaviors that interfere with regular participation in the educational program and/or activities. The 504 team will consider the following information in its evaluation:

- Tests and other evaluation materials that have been validated for the specific purpose for which they are used and are administered by trained personnel;
- Tests and other evaluation materials include those tailored to assess specific areas of educational need and not merely those which are designed to provide a single general intelligent quotient; and
- Tests are selected and administered so as to ensure that when a test is administered to a student with impaired sensory, manual or speaking skills, the test results accurately reflect the student's aptitude or achievement level or whatever factor the test purports to measure rather than reflecting the student's impaired sensory, manual or speaking skills.

The final determination of whether the student will or will not be identified as a person with a disability is made by the 504 team in writing and noticed in writing to the parent or guardian of the student in their primary language along with the procedural safeguards available to them. If during the evaluation, the 504 team obtains information indicating possible eligibility of the student for special education per the IDEA, a referral for special education assessment will be made by the 504 team.

If the student is found by the 504 team to have a disability under Section 504, the 504 team shall be responsible for determining what, if any, accommodations are needed to ensure that the student receives a free and appropriate public education ("FAPE"). In developing the 504 Plan, the 504 team shall consider all relevant information utilized during the evaluation of the student, drawing upon a variety of sources, including, but not limited to, assessments conducted by the School's professional staff. The parent or guardian shall be invited to participate in 504 team meetings where program modifications for the student will be determined and shall be given an opportunity to examine in advance all relevant records.

The 504 Plan shall describe the Section 504 disability and any program modification that may be necessary. In considering the 504 Plan, a student with a disability requiring program modification shall be placed in the regular program of the School along with those students who are not disabled to the extent appropriate to the individual needs of the student with a disability.

All 504 team participants, parents, guardians, teachers, and any other participants in the student's education, including substitutes and tutors, must have a copy of each student's 504 Plan. The Executive Director will ensure that teachers include 504 Plans with lesson plans for short-term substitutes and that he/she review the 504 Plan with a long-term substitute. A copy of the 504 Plan shall be maintained in the student's file. Each student's 504 Plan will be reviewed at least once per year to determine the appropriateness of the Plan, continued eligibility, or readiness to discontinue the 504 Plan.

ATTACHMENT 10: SAMPLE CURRICULUM – LANGUAGE ARTS

Curriculums are and will be based on the California State Frameworks and Academic Content Standards of California Public Schools.

Word Analysis, Fluency, and Systematic Vocabulary Development

Grades K – 1: Students at DCS will be given many opportunities to use, manipulate, and experiment with words. Students will participate in small groups to play games and do activities related to:

Kindergarten: Letter names and sounds, word play, and phonemic awareness.

Grade 1: Basic spelling patterns, word play, and phonemic awareness. Word study will be taken from student reading and reflect the developmental needs of each child. The experiences will be hands-on and manipulative in nature with the goal of meeting or exceeding the state standards.

Grades 2 – 4: Students at DCS will be given many opportunities to use, manipulate, and experiment with words with a focus on structure and meaning. Students will participate in activities to help them continue to develop a broad vocabulary for reading, writing and speaking. Word study will be taken from student reading and reflect the developmental needs of each child. The experiences will be hands-on and manipulative in nature with the goal of meeting or exceeding the state standards.

Grades 5 – 8: Students at DCS will be given many opportunities to use, manipulate, and experiment with words with a focus on structure and meaning. Students will use their knowledge of word origins and word relationships, as well as historical and literary context clues, to determine the meaning of specialized vocabulary and to understand the precise meaning of grade-level-appropriate words. Students will participate in activities to help them continue to develop a broad vocabulary for reading, writing and speaking. Word study will be taken from student reading and reflect the developmental needs of each child. The experiences will be meaning-centered with the goal of meeting or exceeding the state standards.

Reading Comprehension

Grades K – 4: Students at DCS will participate in a variety of learning experiences to build strong reading comprehension including listening to literature being read aloud, participating in shared or choral reading experiences, making predictions and connections with text, reading and discussing age-appropriate literature, and acting out or recreating stories. Flexible grouping will be used to ensure that each student continues to work at an appropriate instructional level. Students will get daily practice reading instructional text, and will continue to gain both skill and confidence in their ability to read with the goal of meeting or exceeding state standards. In addition, **grades 1 - 3** students will learn to draw upon a variety of comprehension strategies as needed (e.g., generating and responding to essential questions, making predictions, comparing information from several sources). Students will learn to distinguish between the structural features of the text and the literary terms or elements (e.g., theme, plot, setting, characters). Students will read and respond to a wide variety of literature. Responses will reflect multiple learning modalities and higher level thinking skills. The selections in *Recommended Readings in Literature, Kindergarten Through Grade Eight* illustrate the quality and

complexity of the materials to be read by students, including a good representation of grade-level-appropriate narrative and expository text (e.g., classic and contemporary literature, magazines, newspapers, online information). In **grade 3** the Focus will shift from learning to read, to one of reading to learn. In **grade 4** students will continue to gain both skill and confidence in their ability to comprehend and respond to what they read. In **grades 5 – 8** the focus is on Informational Materials. In addition to the skills outlined for grades K – 4, in **grades 5 – 8** students read and understand grade-level-appropriate material. They describe and connect the essential ideas, arguments, and perspectives of the text by using their knowledge of text structure, organization, and purpose.

Through these activities, K – 8 grade students will move toward meeting or exceeding state standards.

Writing

Students at DCS will be given daily opportunities to communicate through writing and will participate in modeled, shared, and independent writing activities. **Kindergarten** students will begin to see themselves as writers and learn that what can be said can also be written. Students in **grades 1 – 8** will begin to see writing as a way to communicate their ideas to an audience and will explore a variety of genres such as personal narrative, non-fiction, and descriptive writing. Students will begin to write with a purpose and more focus, and will begin to participate in all stages of the writing process. **Grade 2 – 8** students will begin to see the importance of English language conventions as insurance that others can read and understand what they write. Spelling instruction will focus on learning about the spelling structure of words as opposed to memorization. Carefully planned language arts curriculum will help **grade 4 - 8** students begin to read like writers and to make the connections between quality literature and their own writing. **Grade 5 – 8** students write clear, coherent, and focused essays; the writing exhibits the students' awareness of the audience and purpose. Essays contain formal introductions, supporting evidence, and conclusions. Students will participate in all stages of the writing process.

All K – 8 students will acquire written and oral English language conventions as well as elements of organization as set forth in the state standards.

Listening and Speaking

All **K – 8** students will have opportunities to participate in listening and speaking activities on a daily basis. Through small group interaction, students will have opportunities to work cooperatively, share information, and listen to and follow directions. Students will have opportunities to speak in front of a larger group to share information, report on research, recite poetry, or as **K – 4** students, as part of a dramatic performance. In **grades 3 and 4** students will have opportunities to listen critically and respond appropriately. In **grades 5 – 8** students deliver focused, coherent presentations that convey ideas clearly and relate to the background and interests of the audience. They evaluate the content of oral communication.

Through these activities, K – 8 grade students will move toward meeting or exceeding state standards.

Grading Rubric (Grades K to 5)

Academic Legends – Major subject areas	
4	Exceeding Standards For this reporting period, the student exceeds the standards by adding creativity, depth, and complexity to the application of the standards; grasps, applies, and extends key concepts, processes and skills.
3	Meeting Standards For this reporting period, the student demonstrates proficiency of the standards.
2	Approaching Standards For this reporting period, the student is still learning the skills and needs additional time and practice with the standards.
1	Not Meeting Standards For this reporting period, the student is not meeting the expected standards and/or is still learning the skills of a lower grade: area of concern.

Grading Rubric (Grades 6-8)

Academic Legends – Major subject areas	
A	For this reporting period, the student has mastered the standards with creativity, depth, and complexity, and/or has achieved an average of 90% to 100%.
B	For this reporting period, the student has mastered the standards and/or has achieved an average of 80% to 89%.
C	For this reporting period, the student has learned most of the standards and/or has achieved an average of 70% to 79%.
NP	For this reporting period, the student has not met the standards and/or has achieved an average of <70%.
U	For this reporting period, there was insufficient evidence/lack of student work on which to base a performance assessment.

Markings for K-8

Markings for Standards	
X	For this reporting period, the student has made appropriate progress.
/	For this reporting period, the student needs additional time and practice with the standard.
[] blank	Not assessed or no further assessment required.

Markings for skills within standards (<i>as applicable</i>)	
O	This specific skill has been taught, assessed, and the student is proficient.
-	This specific skill has been taught and assessed, but the student is not proficient.

ATTACHMENT 11: ARTICLES OF INCORPORATION

ORIGINAL ARTICLES OF INCORPORATION

2032106

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

APR 03 2005

ARTICLES OF INCORPORATION

OF

PARENT PARTICIPATION CHARTER SCHOOL, INC.

Article I

The name of the corporation is Parent Participation Charter School, Inc.

Article II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.

B. The specific purpose of this corporation is to manage, operate, guide, direct and promote a California public charter school.

Article III

The name and address in the State of California of the Corporation's initial agent for service of process is Peter W. Gurnac, 1901 S. Bascom Avenue, Suite 350, Campbell, California 95008.

Article IV

A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Internal Revenue Code § 501(c)(3).

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

Article V

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated

exclusively for educational purposes and which has established its tax exempt status under Section 501(c)(3), Internal Revenue Code.



Karen Gumaer



AMENDED ARTICLES OF INCORPORATION

A nonpublic benefit corporation is required to furnish an additional copy of a corporate document for forwarding to the Office of the Attorney General. One of your copies has been sent by this office in compliance with Section 8120(d), California Corporations Code.

00627842

State of California
Secretary of State



Handwritten initials

I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

MAY 10 2007

Handwritten signature of Bruce McPherson

BRUCE McPHERSON
Secretary of State

Sec/State Form 08-107 (REV 03/2005)

NO627842

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

MAY - 5 2005

**CERTIFICATE OF AMENDMENT OF
ARTICLES OF INCORPORATION**

The undersigned certify that:

1. They are the president and the secretary, respectively, of Parent Participation Charter School, Inc., a California corporation.
2. Article I of the Articles of Incorporation of this corporation is amended to read as follows:

The name of the corporation is Discovery Charter School.
3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.
4. The corporation has no members.

We further declare under penalty of perjury, under the laws of the State of California that the facts set forth in this certificate are true and correct of our own knowledge.

Dated: 5/4/05

Barbara Engel
Barbara Engel, President

Cindy Hellmann
Cindy Hellmann, Secretary



ATTACHMENT 12: PROPOSED CHARTER SCHOOL BYLAWS

**BYLAWS
OF
Discovery Charter School**

(A California Nonprofit Public Benefit Corporation)

**ARTICLE I
NAME**

Section 1. **NAME.** The name of the corporation is "DISCOVERY CHARTER SCHOOL" (the "Corporation").

**ARTICLE II
PRINCIPAL OFFICE OF THE CORPORATION**

Section 1. **PRINCIPAL OFFICE OF THE CORPORATION.** The principal office for the transaction of the activities and affairs of the Corporation is located at _____, in San Jose, California _____. [to be completed once school site is determined] The board of directors of the Corporation (the "Board") may change the location of the principal office. Any such change of location must be noted by the secretary on these bylaws, as amended from time to time (the "Bylaws") opposite this Section; alternatively, this Section may be amended to state the new location.

Section 2. **OTHER OFFICES OF THE CORPORATION.** The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

**ARTICLE III
GENERAL AND SPECIFIC PURPOSES; LIMITATIONS**

Section 1. **GENERAL AND SPECIFIC PURPOSES.** The Corporation had been formed under the California Nonprofit Public Benefit Corporation Law for public, charitable, scientific and educational purposes. The purpose of the Corporation is to manage, operate, guide, direct and promote the Discovery Charter School (the "Charter School"), a California public charter school. The Corporation shall not, except to an insubstantial degree, engage in any other activities or exercise of power that do not further the purposes of the Corporation.

The Corporation shall not carry on any other activities not permitted to be carried on by: (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code; or (b) a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of

any future federal tax code. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE IV CONSTRUCTION AND DEFINITIONS

Section 1. **CONSTRUCTION AND DEFINITIONS.** Unless the context indicates otherwise, the general provisions, rules of construction, and definitions set forth in the California Nonprofit Corporation Law shall govern the construction of the Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

ARTICLE V DEDICATION OF ASSETS

Section 1. **DEDICATION OF ASSETS.** The Corporation's properties and assets are irrevocably dedicated to public benefit purposes, as such purposes are set forth in the charter (the "Charter") of the Charter School, as amended from time to time. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the Corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for educational purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).

ARTICLE VI MEMBERS

Section 1. **MEMBERS.** The corporation shall have no members. Any action that would otherwise require approval by a majority of all members shall only require approval of the Board of Directors ("Board"). All rights that would otherwise vest in the members shall vest in the Board.

Section 2. **ASSOCIATES.** Nothing contained in Section 1 of this Article shall be construed to limit the right of the corporation to refer to persons associated with the corporation as "members" even though these persons are not corporate members, and no such reference in or outside of these Bylaws shall constitute anyone being a member, within the meaning of Corporations Code section 5056. The corporation may confer by amendment of its Articles or of these Bylaws some or all of the rights of a member, as set forth in the California Nonprofit Corporation Law [Corp C §§ 5000 et seq.], on any person or persons who do not have the right to vote for the election of Directors or on a disposition of substantially all of the assets of the corporation or on a merger or on a dissolution or on changes to the corporation's Articles or Bylaws, but no such person shall be a member within the meaning of Corporations Code section 5056.

ARTICLE VII BOARD OF DIRECTORS

Section 1. GENERAL POWERS. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations set forth in the Articles of Incorporation of the Corporation (the "Articles") or the Bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board. The Board may delegate the management of the Corporation's activities to any person(s), management company or committees, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 2. SPECIFIC POWERS. Without prejudice to the general powers set forth in Article VII, Section 1 of the Bylaws, but subject to the same limitations set forth therein, the Board shall have the power to do the following:

1. Elect and remove members of the board;
2. Appoint and remove, at the pleasure of the Board, all corporate officers, agents, and employees, subject to the provisions of any employment agreement; prescribe powers and duties for them as are consistent with the law, the Articles of Incorporation and these bylaws; and fix their compensation, if any;
3. Change the principal office, the principal business office, or any branch office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in or outside California for holding any meeting described in these bylaws; and
4. Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

Section 3. BOARD COMPOSITION. The board shall be composed of voting directors and one *ex officio* non-voting director. The initial voting members of the Board shall be those persons whose names are specified on Exhibit A attached to the Bylaws. In addition to the members of the board named in Exhibit A there shall be one non-voting seat reserved for a representative (the "Representative") of the authority that approves the Charter (the "Chartering Authority"). The Representative shall be deemed an initial member. Subsequent voting directors shall be elected by a majority vote of the Board of Directors.

Section 4. AUTHORIZED NUMBER OF DIRECTORS. The authorized number of voting directors shall be at least five but not more than eleven. In addition to the voting directors there shall be one *ex officio* non-voting seat, at all times, for the Representative.

Section 5. RESTRICTION ON INTERESTED PERSONS AS DIRECTORS. No more than one third of the persons serving on the Board may be "interested persons". An interested person is: (a) any person who is a parent or guardian of a student currently enrolled in Discovery Charter

School or who is compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. The Board may adopt other policies circumscribing potential conflicts of interest, however, any violation of this Section shall not affect the validity or enforceability of transactions entered into by the Corporation.

Section 6. DIRECTORS TERM. The initial voting members of the Board specified on Exhibit A attached hereto shall each serve an initial term of one year. The Representative, in his/her capacity as an initial member, shall serve until the Chartering Authority appoints a replacement. At the end of the first year the Board shall provide for staggered three year terms of its voting directors, by designating approximately one third of the directors to a one-year term, approximately one third of the directors to a two-year and approximately one third of the directors to a three year term.

Section 7. USE OF CORPORATE FUNDS TO SUPPORT NOMINEE. If more people have been nominated for director than can be elected, no funds of the Corporation may be expended to support a nominee without the Board's authorization by way of resolution.

Section 8. EVENTS CAUSING VACANCIES ON BOARD. A vacancy or vacancies on the Board shall occur in the event of: (a) the death or resignation of any director; (b) the declaration by resolution of the Board of a vacancy in a seat on the Board resulting from a director having been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under the California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; or (c) the increase in the authorized number of directors.

Section 9. RESIGNATION OF DIRECTORS. Except as provided below, any director may resign at any time by giving written notice to the President, Vice-President or the Secretary of the Board. The resignation shall be effective when the notice is given unless the notice specifies a later date for the resignation to become effective. If a director's resignation is effective at a later date, the Board may elect a successor to take office as of the date when the resignation becomes effective.

Section 10. DIRECTOR MAY NOT RESIGN IF NO DIRECTOR REMAINS. Except on notice to the California Attorney General, no director may resign if the Corporation would be left with no duly elected director or directors.

Section 11. VACANCIES FILLED BY BOARD. Vacancies on the Board may be filled by approval of the Board or, if the number of directors then in office is less than a quorum, by: (a) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code section 5211 as said chapter may be modified by subsequent legislation or (c) a sole remaining director.

Section 12. NO VACANCY UPON REDUCTION OF AUTHORIZED NUMBER OF DIRECTORS. Any reduction of the authorized number of directors shall not result in any director being removed before his or her term of office expires.

Section 13. PLACE OF BOARD OF DIRECTORS MEETINGS. Meetings shall be held at the principal office of the Corporation. The Board may designate that a meeting be held at any place within California that has been designated by resolution of the Board or in the notice of the meeting.

Section 14. MEETINGS BY TELEPHONE OR OTHER TELECOMMUNICATIONS EQUIPMENT. Any Board meeting may be held by telephone conference, video screen communication, or other communications equipment. Participation at a meeting under this Section shall constitute presence in person at the meeting if all of the following apply:

- (a) Each member participating at the meeting can communicate concurrently with all other members.
- (b) Each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.
- (c) The Board has adopted and implemented a means of verifying both of the following:
 - (1) A person communicating by telephone, video screen, or other communications equipment is a director entitled to participate at the Board meeting.
 - (2) All statements, questions, actions or votes were made by that director and not by another person not permitted to participate as a director.

Section 15. MEETINGS. Regular meetings of the Board shall be held at such time as the Board shall from time to time designate by resolution. The board may hold regular, special and emergency meetings.

Section 16. AUTHORITY TO CALL SPECIAL MEETINGS. Special meetings of the Board may be called for any purpose at any time by the President or a majority of the directors then in office.

Section 17. NOTICE OF SPECIAL MEETINGS. Notice of the time and place of special meetings shall be given to each director by: (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director; (d) telegram; (e) facsimile; (f) electronic mail; or (g) other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the Corporation's records and shall be sent with at least forty-eight hours notice or as required by applicable law.

Notice of the time and place of special meetings shall be given to all media who have provided written notice to the Corporation.

The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office and the business to be transacted at the meeting.

Section 18. **QUORUM.** A majority of the number of directors then in office shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to: (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest; (b) approval of certain transactions between corporations having common directorships; (c) creation of and appointments to committees of the Board; and (d) indemnification of directors and officers. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 19. **ADJOURNMENT.** A majority of the directors present at a meeting, whether or not a quorum is present, may adjourn such meeting to another time and place.

Section 20. **COMPENSATION AND REIMBURSEMENT.** Directors and officers will receive no compensation for their services as directors or officers. Directors and officers may receive such reimbursement of expenses, as the Board may establish by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

Section 21. **BOARD COMMITTEES.** The Board, by resolution adopted by a majority of the directors then in office, may create one or more committees to serve at the pleasure of the Board. Committees shall act in an advisory capacity with respect to the Board and shall report to the Board at its regular meetings, as required by the Board. Appointments to committees of the Board shall be by majority vote of the number of directors then in office. The Board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board resolution, except that no committee may:

- (a) Take any final action on any matter that under the California Nonprofit Public Benefit Corporation Law, requires approval of a majority of the Board;
- (b) Fill vacancies on the Board or any committee of the Board;
- (c) Fix compensation of employees;
- (d) Amend or repeal the Bylaws or adopt new Bylaws;
- (e) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- (f) Create any other committees of the Board or appoint the members of committees of the Board;
- (g) Expend corporate funds to support a nominee for director if more people have been nominated for director than can be elected; or

- (h) Approve any contract or transaction to which the Corporation is a party and in which one or more of its directors has a material financial interest, except as special approval is provided for in Corporations Code section 5233(d)(3).

Section 22. **MEETINGS AND ACTION OF COMMITTEES.** Meetings and actions of committees of the Board shall be governed by, held, and taken under the provisions of these bylaws concerning meetings, other Board actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board may adopt rules for the governance of any committee as long as the rules are consistent with the Bylaws. If the Board has not adopted rules, the committee may do so.

Section 23. **NON-LIABILITY OF DIRECTORS.** No director or officer shall be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 24. **COMPLIANCE WITH LAWS GOVERNING STUDENT RECORDS.** Discovery Charter School and the Board shall comply with all applicable provisions of the Family Education Rights Privacy Act ("FERPA") as set forth in Title 20 of the United States Code Section 1232g and attendant regulations, as amended from time to time.

ARTICLE VIII OFFICERS OF THE CORPORATION

Section 1. **OFFICERS.** The officers of the Corporation shall be a President, a Vice President, a Treasurer and a Secretary.

Section 2. **DUPLICATION OF OFFICE HOLDERS.** Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President.

Section 3. **APPOINTMENT OF OFFICERS.** The officers of the Corporation shall be appointed by the majority of the members of the Board then in office, and shall serve at the pleasure of the board, subject to the rights of any officer under any employment contract, if applicable.

Section 4. **APPOINTMENT OF OTHER OFFICERS.** The Board may appoint, by resolution of a majority of the members of the Board then in office, such additional officers of the Board that may be required, in the Board's discretion. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the board.

Section 5. **REMOVAL OF OFFICERS.** Without prejudice to the rights of any officer under an employment contract, if applicable, the Board may remove any officer with or without cause.

Section 6. **RESIGNATION OF OFFICERS.** Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later date specified in the notice. Unless otherwise specified in the notice, the

resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.

Section 7. VACANCIES IN OFFICE. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointment to that office provided, however, that vacancies need not be filled on an annual basis.

Section 8. PRESIDENT. The President shall preside at Board meetings and shall exercise and perform such other powers and duties as the Board may assign from time to time. The President shall also supervise, direct, and control the Corporation's activities, affairs, and officers. In the absence of the President, the Vice President shall have the powers and duties of the President as set forth in these bylaws.

Section 9. VICE PRESIDENT. If the President is absent or disabled, the Vice President shall perform all duties of the President. When so acting, a Vice President shall have all powers of and be subject to all restrictions on the President. The Vice President shall have such other powers and perform such other duties as the Board may assign from time to time.

Section 11. SECRETARY. The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, regular or special and, if special how authorized; the notice given; and the names of persons present at Board and committee meetings.

The Secretary shall keep or cause to be kept, at the principal office of the Corporation, a copy of the Articles and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board, and of committees of the Board that these bylaws require to be given. The Secretary shall have such other powers and perform such other duties as the Board may assign from time to time.

Section 12. TREASURER. The Treasurer shall oversee the keeping and maintenance of adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these bylaws or by the Board. The books of account shall be open to inspection by any director at all reasonable times.

ARTICLE IX CONTRACTS WITH DIRECTORS AND OFFICERS

Section 1. CONTRACTS WITH DIRECTORS AND OFFICERS. No director of the Corporation nor any other corporation, firm, association, or other entity in which one or more of the Corporation's directors are directors have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this Corporation, unless: (a) the material facts regarding that director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are

known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the Corporation for its own benefit enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction is entered into.

This Section does not apply to a transaction that is part of an educational or charitable program of the Corporation if it: (a) is approved or authorized by the Corporation in good faith and without unjustified favoritism; and (b) results in a benefit to one or more directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of the Corporation.

ARTICLE X LOANS TO DIRECTORS AND OFFICERS

Section 1. **LOANS TO DIRECTORS AND OFFICERS.** The Corporation shall not lend any money or property to or guarantee the obligation of any director or officer without the approval of the Attorney General of the State of California; provided, however, that the Corporation may advance money to a director or officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director or officer would be entitled to reimbursement for such expenses by the Corporation.

ARTICLE XI INDEMNIFICATION

Section 1. **INDEMNIFICATION.** To the fullest extent permitted by law, the Corporation shall indemnify its directors, officers, employees, and other persons described in Corporation Code §5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board by any person seeking indemnification under Corporations Code section 5238 (b) or section 5238 (c), the Board shall promptly decide under Corporations Code Section 5238 (e) whether the applicable standard of conduct set forth in Corporations Code Section 5238 (b) or Section 5238 (c) has been met and, if so, the Board shall authorize indemnification.

ARTICLE XII INSURANCE

Section 1. **INSURANCE.** The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other

agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's or agent's status as such.

ARTICLE XIII MAINTENANCE OF CORPORATE RECORDS

Section 1. **MAINTENANCE OF CORPORATE RECORDS.** The Corporation shall keep:

- (a) Adequate and correct books and records of account;
- (b) Written minutes of the proceedings of its members, Board and committees of the Board; and
- (c) Such reports and records as required by law.

ARTICLE XIV INSPECTION RIGHTS

Section 1. **DIRECTORS' RIGHT TO INSPECT.** Every director shall have the right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary, as permitted by California and federal law. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by California and federal law. This right to inspect may be circumscribed in instances where the right to inspect conflicts with California and federal law (e.g., restrictions on the release of educational records under FERPA) pertaining to access to books, records, and documents.

Section 2. **MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS.** The Corporation shall keep at its principal office the original or a copy of the Articles and Bylaws as amended to the current date, which shall be open to inspection by any director at all reasonable times during office hours.

ARTICLE XV REQUIRED REPORTS

Section 1. **ANNUAL REPORTS.** The Board shall cause an annual report to be sent to the Board and members within 120 days after the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- (a) the assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;
- (b) the principal changes in assets and liabilities, including trust funds;
- (c) the Corporation's revenue or receipts, both unrestricted and restricted to particular purposes;

- (d) the Corporation's expenses or disbursements for both general and restricted purposes;
- (e) any information required under these bylaws; and
- (f) an independent accountant's report or if none, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the Corporation's books and records.

Section 2. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. As part of the annual report to all members, or as a separate document if no annual report is issued, the Corporation shall, within 120 days after the end of the Corporation's fiscal year, annually prepare and mail or deliver to each member and furnish to each director a statement of any transaction or indemnification of the following kind:

Any transaction (i) in which the Corporation, or its parent or subsidiary, was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either: (1) any director or officer of the Corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest, or (2) any holder of more than 10 percent of the voting power of the Corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Discovery Charter School, a California nonprofit public benefit Corporation; that these bylaws, consisting of 13 pages, are the bylaws of the Corporation as adopted by the Board on _____; and that these bylaws have not been amended or modified since that date.

Executed on _____ at _____, California,

_____, Secretary

Exhibit A

Initial Board Members

Current Board Members:

Debbie Berge
Barbara Eagle, Chairman and President
David Givens, Vice-President
Karen Gumaer
Cindy Hellmann, Secretary
Joanne Norlin, Treasurer
Iztok Stajner
Tricia Wing

ATTACHMENT 13: BOARD MEMBER DEVELOPMENT PLAN

Recruiting Board members who can and will govern the school is vital. The selection of individuals to serve on the Board of Directors begins with a strong set of qualifications.

Members need to have an understanding of board responsibilities, appropriate skills, experience, and a willingness to contribute. Five general qualifications that are necessary are:

- Commitment to and ownership of the school's mission
- Propensity to think in terms of systems and context
- Ability and eagerness to deal with values, vision and the long term
- Ability to participate assertively and positively in deliberation
- Willingness to delegate and to allow others to make decisions

Quality governance and experience is essential. Board members will need to bring experience in a variety of applications such as, but not limited to: strategic planning, financial oversight, fundraising, endowment building, business management, education, human resources, audits, and administration.

Initial and ongoing training will be required. Initial training will include activity and program participation such as, but not limited to:

- Board members will be required to read *Boards That Make a Difference* and *Reinventing your Board* by John Carver.
- Review and discussion of governance, policies and Board Bylaws. Prospective members will need to understand the board's governance model, Bylaws, policies, current conditions, and spending issues.
- Training through a non profit services company such as Compass Point. (A Bay Area company specializing in leadership services and executive transition and training.)

Supplementing and building skills will include activity and program participation such as, but not limited to:

- Yearly participation in a class or executive training for nonprofit board members.
- Attending training held by California Charter School Association.
- Continuous reading and review on subjects of Board governance, public charter schools and other relevant subjects.
- Look for networking opportunities in the nonprofit and charter school areas.

ATTACHMENT 14: PROGRAM SITE COUNCIL

The Program Site Council's (PSC) main function within the Discovery Charter School organization is to support the various school programs the Executive Director and teachers have adopted to supplement classroom curriculum, enrich the school life, and enhance the school community.

The PSC will be a volunteer organization run by parents and teachers. Each identified program will have a group of volunteers that will work together to monitor and implement the specific requirements of each program. Each committee will elect one volunteer coordinator who will represent the group at monthly PSC meetings.

The PSC will consist of a board made up of its President, Vice President, Secretary, Treasurer, and one coordinator for each program. The Program Site Council will hold monthly meetings to discuss school activities with the school's Executive Director in attendance as well. All actions must be approved by the Executive Director or designee. The PSC board and program coordinators will be selected through a yearly school election process.

Program Site Council coordinator job descriptions (may include, but are not limited to, the following programs and duties listed below):

Marketing/PR and Community Outreach

- The Executive Director will be the main contact for press/media inquiries.
- Develop, design, and produce all paper and electronic marketing and informational materials for school.
- Keep all marketing materials up to date.
- Include translated materials for schools ethnic populations.
- Market the school to the community for greater ethnic diversity.
- The coordinator for this group will work individually with the Executive Director on special projects.

Parent Participation

- Organize each classroom to have one individual assigned as Classroom Liaison.
- Each Classroom Liaison will monitor parent participation in their assigned classrooms.
- Help where needed with parent participation, including rainy day coverage, recess, Spanish lessons and other areas.
- Create opportunities/alternatives for families with participation concerns (such as single parent homes, two working parents, limited English, etc.).

Technology

- Work with the teachers and the Executive Director to ensure computer curriculum/skills instruction is uniform across grade and class.
- Train parent volunteers on all equipment and review curriculum and procedures.
- Maintain software and hardware.
- Support school, classrooms, and teachers having technical issues.

Language Instruction

- Seek volunteers for translation and explanation of school policies to those who do not speak English. The School will seek out those who speak and write any foreign language fluently. These volunteers would be part of a Translation Program.
- Develop and support a learning program to teach English to parents who do not speak English.
- Develop and support a Spanish language program taught by volunteers in the K-5 classes.
- Develop and support a learning program to teach Spanish to English-speaking parents.
- Develop and support a learning program to teach English to Spanish-speaking parents.

Parent Education

- Work with teachers to organize a Parent Academy for volunteers helping in the classroom.
- Develop and train all parent volunteers to recognize and work with issues regarding playground play, bullying, and identifying children that need additional help during these times.
- Identify and book speakers for Parent Education lectures.

Discovery Community

- Coordinate and sponsor clubs that enhance the intrinsic nature of the school and contribute to the fulfillment of the school's mission.
- Coordinate fundraising activities as they relate to the development and production of the school and community spirit projects.
- Seek out opportunities for the school to be involved in community service projects in the Bay Area.
- Coordinate volunteers into other Moreland Schools.

- Write, edit, and publish School newsletter.

Gardening

- Coordinate parent volunteers to bring the Master Gardener Program to each classroom.
- Develop and bring in additional gardening projects.

Art

- Coordinate parent volunteers to bring art programs into each classroom.
- Purchase and stock art supplies as needed.
- Coordinate with the San Jose Museum of Art representative to bring in community programs.

Enrichment

- Coordinate with the teachers to bring program volunteers from organizations such as Junior Achievement and University Outreach into the classrooms.
- Coordinate and organize the Destination ImagiNation program into the school, find team manager volunteers, and organize teams.

ATTACHMENT 15: EMPLOYEE RECRUITMENT PLAN

The DCS Board desires to employ the most highly qualified and appropriate person available for each open position in order to carry out the school's mission. Candidates shall be recruited for open positions based on an assessment of the school's needs for specific skills, knowledge and abilities in compliance with NCLB requirements. A job description that accurately describes all essential and marginal functions and duties of each position shall be developed. Job postings shall be disseminated through various methods to ensure a wide range of candidates. Various methods may include participating in recruitment fairs and educational conferences, developing university contacts, establishing a student teacher program at the site, advertising in newspapers and professional journals, and postings on websites of the following organizations: California Charter School Association, Charter Schools Development Center, Ed-Join, and local universities.

The Executive Director or Recruitment/Selection Committee shall develop selection procedures that identify the best possible candidate for each position based on screening processes, interviews, observations and recommendations from previous employers. An interview committee may be established, as appropriate, to rank candidates and recommend finalists. All discussions and recommendations shall be confidential in accordance with law.

During job interviews applicants may be asked to describe or demonstrate how they will be able to perform the duties of the job. No inquiry shall be made with regard to any category of discrimination prohibited by state or federal law.

For each position, the Executive Director or Recruitment/Selection Committee shall present a recruitment summary report to the DCS Board which includes the qualifications of the top three candidates and a recommendation for which candidate should be selected. The DCS Board will vote on the final selection of which candidate to hire. No staff member shall be employed by the Board without the recommendation or endorsement of the Executive Director.

The DCS Board shall establish a Recruitment & Selection Committee of three members who will be responsible for the recruitment and selection of the Executive Director and School Board Members in accordance with Board policy.

The Executive Director or designee shall be responsible for carrying out the recruitment and selection of staff members in accordance with Board policy.

ATTACHMENT 16: JOB DESCRIPTIONS

DISCOVERY CHARTER SCHOOL

Rev/Est: 8/1/05

Job Code: 9032

EEOC Category: Official/Administrator

EXECUTIVE DIRECTOR

Job Summary:

Under direction of the DCS Board, is responsible for the day-to-day operations of DCS. Serves as leader of educational programming and advises the DCS Board regarding budget decisions, board policies, programming, etc. In collaboration with the DCS Board, develops and successfully implements board policies, administers and supervises the school and its employees, leads development of educational program improvement, fosters a culture of positive, engaged learners, and serves as a strong advocate for the school's developmental philosophy and parental involvement.

Essential Functions:

1. Educational Program Management

- In collaboration with staff, designs, implements, and maintains educational program incorporating brain-based research (thematic learning, multiple intelligences), multi-age, standards-based, developmental program. Ensures incorporation of state standards and assessments in educational program.
- In collaboration with staff, regularly evaluates educational program and makes recommendations to the DCS Board.
- Monitors and analyzes student performance data and prepares reports. Analyzes information and develops support systems for performance improvement.
- In collaboration with staff, creates and maintains programs to meet diverse student needs including, but not limited to, GATE, remediation, and special education.
- Provides input and guidance to school support committees including, but not limited to, Finance, Facilities, and Program Site Council.
- Advises the DCS Board regarding current educational practices, trends, and research as well as legislative developments affecting education. Makes recommendations to the DCS Board and staff.
- Explains and clarifies information received from various agencies including Moreland School District (MSD), County Office of Education, California Department of Education, State Board of Education, and California Charter School Association (CCSA), and advises the DCS Board accordingly of required actions.
- Works with staff and parents to plan and develop a parent education program.
- In conjunction with staff, develops and implements discipline policies.

2. Operations Management/Supervision

- Ensures compliance with all applicable State and Federal laws and regulations including, but not limited to, financial, record keeping, and employment.

- Researches, identifies, and recommends vendors to the DCS Board for contracted services including, but not limited to, payroll, facilities, and physical education. Makes vendor recommendations and negotiates contract terms that are most cost effective for DCS.
- Responsible for overall vendor management. Establishes procedures and oversees periodic performance reviews of services received to evaluate their effectiveness.
- Solicits and encourages input from staff regarding problem resolution, policy proposals, and overall advancement of DCS programs.
- Develops, implements, and monitors work practices, systems, and methods that are effective, efficient, and consistent with school policies and procedures.
- Organizes and implements safety and emergency procedures.
- Responsible for preparation of annual performance audit.
- Directs staff in research and development of new programs including, but not limited to, after school enrichment and lunch programs.
- Attends and participates in DCS Board meetings and committee meetings, including, but not limited to, Program Site Council, Finance, Facilities, and Discovery Educational Foundation.
- Under the direction of the DCS Board, develops and implements policies.
- Serves as custodian of confidential personnel records.
- Develops accountability timelines for special projects and monitors to ensure timely project completion.
- Manages recruitment of staff and makes hiring recommendations to the DCS Board. Evaluates and coaches staff.
- Oversees the creation of the staff's Professional Development Plans and delivery of performance appraisals.
- Manages staff training; provides opportunities for staff collaboration on an ongoing basis; coordinates all teacher work, in-service, and training days.
- Supervises staff and fosters positive, team oriented working relationships. Encourages and fosters collaborative environment among staff in order to develop and retain high quality employees.

3. Marketing/Communications Management

- Establishes and maintains professional and cooperative working relationships with all stakeholders: parents, students, staff, neighbors, and partners.
- Is a strong advocate for DCS in the greater community and with the media. Promotes positive image and support for the school. Provides leadership in disseminating information to the public.
- Communicates issues, concerns, and needs of the DCS community to the DCS Board.
- Represents DCS at district and county administrative meetings and other meetings as requested by the DCS Board.
- Serves as liaison to MSD the County and other outside agencies. Promotes and maintains a positive working relationship with the CountyMSD. Responsible for reporting to and negotiating with the County MSD regarding issues that directly impact DCS.
- Maintains frequent and regular communications with parents through a weekly newsletter, school website, one-on-one meetings, etc., as appropriate.
- Fosters open and frequent communication with staff through staff letters, team meetings, classroom visits, coaching sessions, etc.

4. Fiscal Management

- Develops annual budget. Manages budgets (general fund, facilities, etc.) and makes recommendations to the DCS Board.
- Works with the DCS Board to set economic objectives, financial and accounting policies, and other fiscal policies and practices as necessary.
- Advises DCS committees of pertinent legislative changes.
- Provides financial reports to the DCS Board, MSD, the County, and other agencies as mandated by law.
- Arranges for quarterly and annual audits with an outside independent auditor to ensure the soundness of DCS finances.

Performs other duties as assigned.

Employment Standards:

Education & Experience: Any combination of education and experience equivalent to possession of a Master's Degree in teaching and instruction, education, or educational administration, and five years teaching experience in K-8. Experience developing curriculum and working with developmental based educational programs. Experience coaching and developing staff.

Credentials: Possession of a valid California Administrative Credential and a valid California Elementary Teaching Credential.

Knowledge, Skills & Abilities:

Knowledge of:

- Local, state and federal laws applying to public schools and current trends in public school management;
- Special education needs and issues;
- Developmentally based educational programs; and
- Budget preparation and control procedures.

Skilled in:

- Managing developmentally based parent participation educational programs;
- Planning, coordinating, and directing work and activities of teaching professionals and other personnel, and developing a collaborative-oriented environment;
- Managing budgets, prioritizing expenditures, and seeking innovative methods for providing school resources;
- Recognizing needs and initiating actions in order to develop more efficient systems and procedures or to solve problems;
- Establishing and maintaining effective working relationships with children, staff, parents, community, and school board members; and
- Marketing and promoting developmentally based educational programs and services.

Ability to:

- Communicate ideas and directives clearly and effectively both orally and in writing;

- Operate various office equipment;
- Tolerate high levels of stress; and
- Perform the essential functions of the position.

Working Conditions:

- Regular requirement to stand, walk, talk, hear, see, read, speak, reach, stretch with hands and arms, stoop, kneel, and crouch;
- Lift and carry objects weighing up to 50 pounds;
- Occasional exposure to blood, bodily fluids and tissue;
- Occasional interaction with unruly children; and
- Occasional evening and/or weekend work.

BUSINESS SERVICES ADMINISTRATOR

Reports to: Executive Director

Job Summary:

Under direction of the Executive Director, is responsible for the day-to-day operations at DCS including, but not limited to, fiscal services, reporting requirements, operations, enrollment, transportation, nutrition services, information technologies, purchasing/warehouse, and facilities. Serves as an advocate for the school's developmental philosophy and parental involvement.

Essential Functions:

1. Fiscal Services

- Maintains financial accounting system and all management information databases. Prepares annual and monthly financial statements for the Executive Director (ED), consistent with non-profit and government generally accepted accounting principles (gaap).
- Reconciles petty cash fund and audits cash activities.
- Reconciles month-end cash balances and monthly bank statements.
- Approves, logs, and monitors expenditures; resolves discrepancies.
- Assists the ED with preparation of annual budget. Assists with monitoring adherence to budget.
- Assists with development and preparation of budgets (general fund, facilities, special projects, etc.) and expenditures and makes recommendations to the ED.
- Tracks expenditures and prepares reports for the ED and the DCS Board.
- Prepares budget transfers as appropriate and monitors budget activity. Reviews for discrepancies and raises issues with the ED.
- Prepares and maintains payroll and human resources systems and records.
- Provides data to vendors and researches and resolves discrepancies.
- Is responsible for maintenance of all insurance requirements to ensure current standing.
- Researches and resolves questions regarding business and financial affairs of DCS.
- Establishes open accounts with vendors; places and tracks orders against budget.
- Prepares and maintains purchase orders and other expense records. Approves logs and monitors expenditures. Resolves discrepancies and ensures expenditures are within budget.
- Under direction of the ED, reviews contracts and contractor performance. Reviews facilities maintenance and makes suggestions to the ED.
- In support of the ED, prepares reports for the DCS Board, MSD the County, and other agencies as mandated by law.

2. Operations

- Monitors work practices, methods, and systems that are effective, efficient, and consistent with school policies and procedures.

- Prepares confidential human resources documents (hire, upgrade, counsel, or termination).
- Oversees the maintenance of confidential files including, but not limited to, attendance, assessment results, emergency and family information, academic and health records, fingerprinting, TB records, and parent driver trip information.
- Oversees the processes for enrollment, transfer, discharge, and readmission of students, and the preparation and maintenance of related files and records.
- Supervises the maintenance of student cumulative files including, but not limited to, assessment results, test scores, discipline citations, medical reports, and records.
- Monitors special project's accountability timelines and coordinates timely completion of administrative/clerical tasks.
- Investigates circumstances of employee on-the-job injuries; prepares required documentation and reports safety hazards to the ED.
- Develops administrative policies for purchase, storage, and distribution of school supplies including, but not limited to, classroom, office, custodial, health, and athletic supplies. Under direction of the ED, makes purchases in accordance with school budgets.
- Oversees maintenance of all office equipment and duplicating services.
- Assists Parent Field Trip coordinators with problem resolution.
- Manages vendor contract relations including, but not limited to, transportation, food services, IT, payroll and HRIS services, facilities, and external auditors, etc. Researches and resolves disputes; reports activities to the ED.
- Oversees requisition and distribution of school and office materials and supplies.
- Plans and coordinates arrangements for school and community activities.
- Under direction of the ED, coordinates volunteer training.

3. Reporting

- Assists the ED with preparation of the annual performance audit.
- Oversees preparation and audits student enrollment and attendance reports for state funding.
- Under direction of the ED, assembles materials and reports for monthly DCS Board meetings.
- Assists the ED with the local oversight authority's annual observation tours.

4. Enrollment

- In collaboration with the ED, coordinates arrangements for advertising, public relation events, and general recruitment.
- Maintains waiting lists.
- Coordinates all aspects of orientation including, but not limited to, summer mailing and registration and other meetings as appropriate. Coordinates preparation of information packets.
- Arranges for translators and translation of materials, as needed.

5. Communications

- Establishes and maintains professional and cooperative working relationships with all stakeholders: parents, students, staff, neighbors, and partners.
- In collaboration with the ED, assists with writing of weekly newsletter, letters, posters, etc. Coordinates publication and distribution of materials.
- Serves as liaison to parent committee responsible for web site maintenance.

Performs other duties as assigned.

Employment Standards:

Education & Experience: Any combination of education and experience equivalent to a Bachelor's degree in Public or Business Administration or related field from an accredited school; plus three years of related experience in fiscal services, administration, and human resources. Experience with a public school is preferred.

Knowledge, Skills & Abilities:

Knowledge of:

- Principles and practices of public school services and administration;
- Personnel and finance administration and sources of information related to public school issues;
- Research methods and report writing; and
- Effective public relations techniques.

Skilled in:

- Interpreting, implementing, and explaining complex rules, regulations, contracts, policies, and procedures;
- Analyzing problems, developing and evaluating options, and making sound recommendations;
- Writing reports, documents, correspondence, and memoranda;
- Using a personal computer and associated software for word-processors, spreadsheets, and databases;
- Making formal presentations to diverse groups;
- Establishing and maintaining effective working relationships with a variety of people;
- Prioritizing assignments and workload appropriately and responding to deadlines effectively; and
- First aid and CPR certification is highly desirable.

Ability to:

- Organize, coordinate, and oversee office activities;
- Operate standard office equipment such as computer, telephone, facsimile, photocopier, and other equipment;
- Tolerate high levels of stress;
- Work independently and in a team environment;
- Maintain confidentiality;
- Perform the essential functions of the position; and
- Speak Spanish is highly desirable.

Working Conditions:

- Regular requirement to stand, walk, talk, hear, see, read, speak, reach, stretch with hands and arms, stoop, kneel, and crouch;
- Lift and carry objects weighing up to 50 pounds;

- Occasional exposure to blood, bodily fluids, and tissue;
- Occasional interaction with unruly children; and
- Occasional evening and/or weekend work.

OFFICE ASSISTANT

Reports to: Executive Director

Position Summary:

Under direction of the DCS Executive Director, is responsible for supporting the day-to-day operations of the DCS school office and staff.

Essential Functions:

1. Office Support

- Establishes and maintains professional and cooperative working relationships with all stakeholders: parents, students, staff, neighbors, and partners.
- Performs general clerical duties including, but not limited to, answering phones, taking and distributing messages, sorting mail, and preparing general correspondence.
- Performs accurate data entry and record maintenance.
- Facilitates arrangements for school activities. Arranges logistics for meetings, teacher development, parent development.
- Maintains school calendar.
- Under direction, assists with publication and distribution of weekly newsletter, letters, posters, etc.
- Assists with tracking expenditures and preparing reports for the ED and the DCS board.
- Administers basic first aid, distributes medications, and maintains injury reports.
- Maintains confidential files including, but not limited to, attendance, assessment results, emergency and family information, academic and health records, and parent driver trip information.
- Provides support to teachers as needed.

2. Purchasing

- Under direction of the Business Services Administrator (BSA), maintains storage and distributes school supplies including, but not limited to, classroom, office, custodial, health, and athletic supplies. Tracks and maintains inventory; recommends reordering; tracks packing slips and other related documentation.
- Tracks purchase orders against budget; maintains files.
- Prepares and maintains purchase orders and other expense records and forms, including 1099 forms.

3. Recruitment/Enrollment

- Responds to inquiries about DCS. Maintains and distributes general information about the school, as requested.
- Under direction of the ED, arranges for advertising, public relation events, and general recruitment.

- Assists with preparation, coordination of enrollment, and orientation materials. Prepares and distributes information packets.
- Arranges for translators and translation of materials, as needed.

Performs other duties as assigned.

Employment Standards:

Education & Experience: Any combination of education and experience equivalent to graduation from high school and three years of clerical experience closely related to the Essential Functions of this position.

Knowledge, Skills & Abilities:

Knowledge of:

- Business letter writing and forms;
- Office practices and procedures, office machines and equipment, and filing systems; and
- Correct English usage, grammar, spelling, punctuation, and vocabulary.

Skilled in:

- establishing and maintaining filing systems, report writing;
- using a personal computer and associated software for word-processors, spreadsheets, and databases;
- communicating effectively in person, by telephone, and in writing;
- applying, interpreting, and explaining the operations, policies, and procedures of the school;
- performing complex data processing tasks;
- performing clerical work involving the use of extensive independent judgment;
- performing mathematical calculations at high school level;
- exercising interpersonal skills using tact, patience, and courtesy with the public; and
- first aid and CPR certification is highly desirable.

Ability to:

- compose correspondence and written materials independently;
- relate to and work collaboratively with a variety of people;
- work independently and as a team member;
- maintain confidentiality;
- prioritize work load and tolerate high levels of stress;
- perform the essential functions of the position; and
- speak Spanish is highly desirable.

Working Conditions:

- Regular requirement to stand, walk, talk, hear, see, read, speak, reach, stretch with hands and arms, stoop, kneel and crouch;

- Lift and carry objects weighing up to 50 pounds;
- Occasional exposure to blood, bodily fluids, and tissue;
- Occasional interaction with unruly children; and
- Occasional evening and/or weekend work.

ATTACHMENT 17: EMPLOYEE DEVELOPMENT PLAN

DRAFT

PLAN FOR THE DEVELOPMENT OF FACULTY AND STAFF

We believe that schools are only as strong and effective as their teaching faculty. One of our core goals at Discovery Charter School is to establish a culture of continuous learning not only for our students and parents, but for our staff as well. Teachers will collaborate to create curriculum and assessments and will be guided by professional development plans created jointly with administrators. In order to achieve this goal, teachers must be granted autonomy, while being supported and coached by administrators whose primary focus is student achievement. A leadership team, which includes grade level representatives, will meet weekly with the Executive Director to plan grade level and staff meetings and address issues involving many aspects of school planning. Shared decision-making and consensus building are valued and inherent parts of our culture.

DCS will implement a Professional Development Academy before each school year begins. During the Academy teachers will work together to refine curriculum, create assessments, and define focus areas for the school year based upon the past year's student achievement data. In addition, teachers will have opportunities to attend workshops that are aligned with the school's goals and their professional development growth goals. Conference weeks will be scheduled during the 3rd and 7th months of the school year to meet with parents, write assessments, and reflect on the achievement of students and professional growth of teachers.

The school schedule and budget will support teacher learning by providing:

- Three (3) days of paid professional development during the school year;
- Weekly grade level and cross grade level meetings where staff will collaborate on curriculum, assessments, and teaching methods;
- Bi-monthly staff meetings designed to discuss the latest research-based educational strategies and enable a professional learning community between all DCS staff;
- A Professional Development Academy developed and led by DCS staff; and
- A professional resource library and membership to a variety of professional organizations.

Program Highlights

Professional Development Plan

Every staff member will create and maintain a Professional Development Plan (PDP) containing their professional goals for continuous improvement, and all relevant documents delineating past and current trainings that support their goals. The Executive Director and teacher or staff member will have an initial meeting during which mutual goals will be reviewed and a professional growth program developed. The employee will maintain the PDP and will include samples of classroom or

school work, observation records, personal reflections, and any other material deemed appropriate as evidence of continuous improvement. The Executive Director will create, maintain, and share his own PDP with the staff, as he models constant learning for himself, the staff, the students, and the parents of DCS.

Professional Development Plan Reviews

For all teachers and staff members, there shall be a formal opportunity to begin to design his own PDP during the summer Professional Development Academy. The employee will delineate their professional goals for continuous improvement. There shall be a formal PDP review three months after the start of the school year. The purpose of the three-month PDP review shall be to review the staff member's self-assessment, the job description, areas of responsibility, and progress toward goals and outcomes, noting particularly good work, areas for improvement and skill development, and areas in need of improvement. A clear plan for improvement will be created at that time. In addition, at the three-month PDP review, the employee will provide feedback to the Executive Director specific to the Executive Director's job performance and the Executive Director will share with the employee his own self-assessment and PDP. Any written feedback or self-assessment materials may be placed into the Executive Director's personnel file. After seven months from the start of the school year, a second PDP review will be held to determine progress made specific to the three-month PDP review goals. Results of these reviews will be put in writing and placed within the employee's own PDP and the school's personnel file.

Teacher Observations

The Executive Director, using both formal and informal observations, will observe all faculty on an ongoing basis. Informal observations can occur during any instructional time and will include a post-observation conference. Formal observations will include a pre-observation conference as well as a post-observation conference. The pre-observation conference may be conducted in person or through written communication. Post-observation conferences will be in person and will occur within three (3) school days after the observation. During the school year, each teacher will have at least two (2) formal observations. Probationary teachers will receive four (4) formal observations per year. Results of formal and informal observations, consisting of the teacher's and the Executive Director's observations and recommendations, will be put in writing and included within the teacher's own Professional Development Plan and the school's personnel file.

How Does Professional Development Enhance our Mission?

Meeting the Needs of the Whole Child

Each teacher will be provided the time and resources to adapt and develop their instruction to meet the needs of their diverse student population.

Teachers as Learners

We expect our teachers to continue to be learners. Each teacher will:

- Design a personal Professional Development Plan, which will be reviewed by the Executive Director two times per year;

- Attend professional grade level meetings to discuss curriculum and assessment;
- Attend bi-monthly staff meetings to collaborate on teaching practice, student behavior expectations, and other site-related issues; and
- Attend summer and winter professional development academies.

ATTACHMENT 18: HEALTH AND SAFETY POLICIES

Procedures for Background Checks

The Charter School will comply with the provisions of Education Code Section 44237 and 45125.1 regarding the fingerprinting and background clearance of employees, contractors and volunteers prior to employment, volunteering, or contract services or any unsupervised contact with pupils of the Charter School. The Executive Director of the School shall review Department of Justice reports on prospective employees/contractors; volunteers to determine whether an employee may be employed in accordance with Education Code Section 44237 or 45125.1, except with respect to himself, in which case the President of the Board will review. The Executive Director shall monitor compliance with this policy and report to the Board of Directors on a quarterly basis.

Role of Staff as Mandated Child Abuse Reporters

All classified and certificated staff will be mandated child abuse reporters and will follow all applicable reporting laws.

TB Testing

The Charter School will follow the requirement of Education Code Section 49406 in requiring tuberculosis testing of all employees.

Immunizations

The Charter School will adhere to all law related to legally required immunizations for entering students pursuant to Health and Safety Code Section 120325-120375, and Title 17, California Code of Regulations Section 6000-6075.

Medication in School

The Charter School will adhere to Education Code Section 49423 regarding administration of medication in school.

Vision/Hearing/Scoliosis

The Charter School shall adhere to Education Code Section 49450 et. seq. as applicable to the grade levels served by the School.

Emergency Preparedness

The Charter School shall adhere to an Emergency Preparedness Handbook drafted specifically to the needs of the school site. This handbook shall include but not be limited to the following responses: OSHA policy compliance, fire, flood, earthquake, terrorist threats, and hostage situations and shall be submitted for ~~District-County~~ receipt and review by the opening of school in the first year of operation. This handbook shall include an evacuation plan, and general school safety, injury and illness prevention.

Bloodborne Pathogens

The Charter School shall meet state and federal standards for dealing with bloodborne pathogens and other potentially infectious materials in the workplace. The Board shall establish a written "Exposure Control Plan" designed to protect employees from possible infection due to contact with bloodborne viruses, including human immunodeficiency virus (HIV) and hepatitis B virus (HBV).

Whenever exposed to blood or other body fluids through injury or accident, students and staff should follow the latest medical protocol for disinfecting procedures.

Drug Free/Smoke Free Environment

The School shall maintain a drug-, alcohol-, and smoke-free environment.

Procedures

The Charter School shall adopt procedures to implement the policy statements listed above prior to operation.

ATTACHMENT 19: DRAFT DISCOVERY CHARTER SCHOOL PARENT AGREEMENT

DRAFT

**Discovery Charter School
Parent Agreement**

As the parent(s)/guardian(s) of _____ (“Student”), we/I desire to have Student enrolled in the Discovery Charter School (“Discovery”). We recognize and agree that parent participation is important for the education of our children. We further recognize and agree that such participation is an integral component of Discovery’s educational philosophy and program and is necessary for the successful functioning of Discovery’s educational program.

In signing this Agreement, we agree to support the Discovery educational philosophy and program in the following ways:

1. To ensure that the developmentally-based small group learning environment of the Discovery program can be effectively implemented, we agree that we will participate in a regularly scheduled shift of up to two (2) hours per week per child (with a maximum of 6 hours per family). In the event of family needs such as pregnancy, family emergency, or illness, this portion of the Agreement may be negotiated with the Executive Director of DCS.
2. To ensure that we will be effective partners in our child’s education at DCS, our family will participate in a minimum of five (5) Parent Education Meetings during each school year. This requirement may be satisfied by attending Parent Education meetings at DCS or by attending other Parent Education events off-site, with pre-approval of the Executive Director. We will attend the Parent Academy, Back to School Night and all parent conferences as part of this requirement.
3. To help ensure that our child’s school has an environment conducive to learning, we will participate in at least one Work Day per year. This Work Day may be one of the regularly scheduled work days, or special projects may be assigned at the staff’s discretion.
4. To help take care of the many tasks that need to be done at our school and to allow the DCS teachers more time to focus on teaching our children, we will serve in at least one classroom or school-wide support position in addition to the regularly scheduled work shift.
5. To help maintain a safe and healthy school environment, we will submit TB verification prior to participating.
6. To ensure a safe school environment for the children of DCS, we agree that prior to such participation by either of us, the participating parent/guardian will submit to be fingerprinted and/or have a background check made by an agency authorized by the DCS

Board. Results of such background checks may, at the discretion of the Executive Director of DCS, be a basis for determining the scope and terms of participation.

7. To provide a consistent learning environment, in the event that we are unable to work on our scheduled shift, then we will arrange for a person on the approved DCS parent volunteer list (with TB verification, fingerprints, and background check on file) to substitute for us. We will notify the teacher of any substitution.
8. To support our children in learning by taking part in field trips, we will participate in a minimum of one field trip per year per child as a driver or chaperone. We agree that if we normally work on a day and time when a field trip is scheduled, we will be required to drive if we are able.
9. The Executive Director of DCS has the authority and responsibility for the administration of this Agreement, including how and when we participate in the classroom or in other forms of participation.
10. In the event of inappropriate conduct by either of us on campus or during a school-sponsored activity, the DCS Executive Director will have discretion to make an alternative plan for that parent's participation.
11. In order to respect the privacy of the students, parents, and staff, we agree to abide by the confidentiality policies of DCS.

I/We, the parent(s)/guardian(s) of _____, have read and understood the Discovery Charter School Parent Agreement. We agree to comply with the terms of the Parent Agreement as set forth herein.

Signature of Parent

Date

Signature of Parent

Date

ATTACHMENT 20: DISCOVERY CHARTER SCHOOL MARKETING PLAN

Customers

Discovery Charter School will focus on grades K-8. Discovery already has a highly proven developmental program for grades K-5, with an API score of 921 for the last year of operation. In addition, the original school (MDS) had an enrollment of 343 children with extensive waiting lists when it was closed. Our research indicates that there is a tremendous interest in the program, and that parents would enroll their children in the school if the designation of "neighborhood" was not attached. Many in the community feel this compromises an award winning program. A new Discovery-type program independent of neighborhood and open to all will satisfy a need in the community that is currently not being fulfilled.

We believe there is a market for Discovery Charter School in the San Jose Valley. Through initial discussions with families, we have found that there is strong interest in a new school that offers an alternative to the cookie-cutter approach of the traditional school system. Additionally we have found that while parents are often comfortable enrolling their younger children in the neighborhood elementary school, they become nervous about their local middle school and start researching alternatives.

We believe, and research supports, that early adolescence represents a critical transition in children's lives and these young people, ages 11-14, need a learning environment specially designed to meet the challenges and potential of the middle years. Traditional middle school models do not adequately address these challenges.

While a specific site for Discovery Charter School has not yet been designated, we would like to locate the school within the Moreland School District. If this is not possible we have targeted the areas of San Jose (West Side, Rose Garden, and Willow Glen) as well as the school districts/cities of Campbell, Santa Clara, Cambrian, Los Gatos, Saratoga, and Cupertino. The families in these areas will be target customers. We envision Discovery Charter School as a community school with strong ties to the surrounding area. We will concentrate our marketing program within an 8-10 mile radius of the school.

While the schools in this area are suburban, the characteristics of many of the schools in the area are typical of urban schools. The school district/city areas of Moreland, Cambrian, Campbell, and Santa Clara will be our main target area for students. These areas have the following ethnic break down for elementary schools:

Primary Target Areas

<u>District Area/City</u>	<u>Asian</u>	<u>Hispanic</u>	<u>African American</u>	<u>White</u>	<u>Other</u>
Cambrian	10.8%	22.2%	3.8%	59.4%	4.9%
Campbell	12.2%	36.3%	5.2%	41.6%	4.7%
Moreland	23.8%	23.9%	4.4%	44.3%	3.6%
Santa Clara	20.1%	28.3%	4.7%	34.4%	12.5%

Secondary Target Areas

<u>District Area/City</u>	<u>Asian</u>	<u>Hispanic</u>	<u>African American</u>	<u>White</u>	<u>Other</u>
Cupertino	42.5%	2.7%	0.1%	49.0%	5.9%
Los Gatos	12.8%	4.8%	0.7%	78.7%	3.0%
Saratoga	42.5%	2.7%	0.1%	49.0%	5.7%

Research and experience have shown us that our Hispanic communities generally do not have access to email and often have limited phone access. With that in mind, communication must be done the old fashioned way. With a quarter of the primary target area families speaking primarily Spanish, all media will be translated into Spanish for distribution. Volunteers will be enlisted to visit and distribute information throughout the area door to door and to post information at the library, grocery stores, churches, and community parks. Spanish translation will also be available during all community meetings, and we will also hold separate community meetings for the Spanish community. Partnerships with organizations representing the Hispanic community will be sought, such as the Hispanic Chamber of Commerce of Silicon Valley and others who can help us reach our target families.

Since we envision Discovery Charter School as a community school with strong ties to the area around us, the school will also develop a "Translator Program". We will seek families in our school/area who are available to help speak other languages spoken in our school community. The goal of the Translator Program is to be available to explain the school program during orientation and throughout the school year.

Discovery Charter School will be open to all students residing in the state of California. Students may apply for enrollment during the school's enrollment period. The school will enroll all eligible students who submit an application during this time, unless the number of applications exceeds the capacity for the grade level or facilities. If capacity is insufficient to enroll all students who submit a timely application, the school will select students through a lottery selection process.

Marketing (Advertising and Promotion) Plan

There are two phases to our outreach plan: (1) building community awareness of our new school and finding dedicated individuals and community organizations who are interested as key planners in our start-up/design phases, and (2) recruiting families with children who will attend our school.

Building community awareness is important to our new school's survival. We currently have a charter development website, school and foundation websites, and a yahoo group. The development website (www.gotcharter.org) has been up and running for four months and is used as an informational tool. Interested parties can contact the development group through email at info@gotcharter.org. We currently have 102 families registered on msdcharter@yahoo.com and have a registration drive in process to double that number by the end of September 2005. While we have obtained URLs for Discovery Charter School and Discovery Educational Foundation (currently being developed) it will be the marketing group's goal to have a school website up and running as soon as the charter petition is approved.

Building Awareness & Recruitment

Community outreach for dissemination of school information and future students is vital. We will plan a series of monthly meetings throughout the area (dates and locations to be determined). The goal of these community meetings will be to inform the public about the new school and what it has to offer. Meetings will be held in neighborhood association meeting places such as libraries, churches, and clubs. Quarterly activities to build community and awareness will also be planned. BBQs, free day at the movies, family concerts, are but a few of the events that can be held to spark some excitement, gain interest, and build community. We will consider advertisements in local publications, newspapers, and radio. All events will have corresponding press releases to elevate our profile. Partnership/sponsorship opportunities with media vendors will be sought. Multi-language communication will be required.

Partnerships

Much support will need to come from community partnerships. We have begun having conversations with a number of organizations who have expressed an interest in our school.

We believe that this new school will be a valuable asset to our community. It is important that the community not only understand and appreciate our program, but that the community embrace and work with us to the benefit of all.

ATTACHMENT 21: DRAFT PUPIL SUSPENSION AND EXPULSION PROCEDURES

Pupil Suspension and Expulsion Policy and Procedure

This Pupil Suspension and Expulsion Policy has been established in order to promote learning and protect the safety and well being of all students at the School. When the Policy is violated, it may be necessary to suspend or expel a student from regular classroom instruction

School staff shall enforce disciplinary rules and procedures fairly and consistently among all students. This Policy and its Procedures will be printed and distributed as part of the Student Handbook and will clearly describe discipline expectations.

Discipline includes, but is not limited to, advising and counseling students, conferring with parents/guardians, detention during and after school hours, use of alternative educational environments, suspension, and expulsion.

Corporal punishment shall not be used as a disciplinary measure against any student. Corporal punishment includes the willful infliction of or willfully causing the infliction of physical pain on a student. For purposes of the Policy, corporal punishment does not include an employee's use of force that is reasonable and necessary to protect the employee, students, staff, or other persons or to prevent damage to school property.

The Executive Director shall ensure that students and their parents/guardians are notified in writing upon enrollment of all discipline policies and procedures. The notice shall state that these Policy and Administrative Procedures are available on request at the Executive Director's office.

Suspended or expelled students shall be excluded from all school and school-related activities unless otherwise agreed during the period of suspension or expulsion.

A student identified as an individual with disabilities or for whom the School has a basis of knowledge of a suspected disability pursuant to the Individuals with Disabilities in Education Act ("IDEA") or who is qualified for services under Section 504 of the Rehabilitation Act of 1973 (Section 504) is subject to the same grounds for suspension and expulsion and is accorded the same due process procedures applicable to regular education students except when federal and state law mandates additional or different procedures. The School will follow Section 504 of the Rehabilitation Act, Individuals with Disabilities in Education Act (IDEA), the Americans with Disabilities Act (ADA) of 1990 and all federal and state laws including, but not limited to, the California Education Code, when imposing any form of discipline on a student identified as an individual with disabilities or for whom the School has a basis of knowledge of a suspected disability or who is otherwise qualified for such services or protections in according due process to such students.

A. Definitions (as used in this policy):

1. "Board" means governing body of the Charter School.
2. "Expulsion" means disenrollment from the Charter School by reason of student misconduct.

3. "School day" means a day upon which the Charter School is in session or weekdays during the summer recess.
4. "Suspension" means removal of a pupil from ongoing instruction for adjustment purposes. However, "suspension" does not mean the following:
 - a. Reassignment to another education program or class at the Charter School where the pupil will receive continuing instruction for the length of day prescribed by the Charter School Board for pupils of the same grade level.
 - b. Referral to a certificated employee designated by the Executive Director to advise pupils.
 - c. Removal from the class but without reassignment to another class for the remainder of the class period without sending the pupil to the Executive Director or designee.
5. "Pupil" includes a pupil's parent or guardian or legal counsel or other representative.
6. "School" means the Charter School.

B. Grounds for Suspension and Expulsion of Students

A student may be suspended or expelled for prohibited conduct if the act is related to school activity or school attendance occurring at the School or at any other school or a School sponsored event at any time including, but not limited to: (a) while on school grounds; (b) while going to or coming from school; (c) during the lunch period, whether on or off the school campus; or (d) during, going to, or coming from a school-sponsored activity.

C. Enumerated Offenses

Students may be suspended or expelled for any of the following acts when it is determined that the pupil:

1. Caused, attempted to cause, or threatened to cause physical injury to another person or willfully used force of violence upon the person of another, except self-defense.
2. Possessed, sold, or otherwise furnished any firearm, knife, explosive, or other dangerous object unless, in the case of possession of any object of this type, the students had obtained written permission to possess the item from a certificated school employee, with the Executive Director or his designee's concurrence.
3. Unlawfully possessed, used, sold or otherwise furnished, or was under the influence of any controlled substance, as defined in Health and Safety Code 11053-11058, alcoholic beverage, or intoxicant of any kind.

4. Unlawfully offered, arranged, or negotiated to sell any controlled substance as defined in Health and Safety Code 11053-11058, alcoholic beverage or intoxicant of any kind, and then sold, delivered, or otherwise furnished to any person another liquid substance or material and represented same as controlled substance, alcoholic beverage, or intoxicant.
5. Committed or attempted to commit robbery or extortion.
6. Caused or attempted to cause damage to school property or private property.
7. Stole or attempted to steal school property or private property.
8. Possessed or used tobacco or any products containing tobacco or nicotine products, including, but not limited to, cigars, cigarettes, miniature cigars, clove cigarettes, smokeless tobacco, snuff, chew packets, and betel.
9. Committed an obscene act or engaged in habitual profanity or vulgarity.
10. Unlawfully possessed or unlawfully offered, arranged, or negotiated to sell any drug paraphernalia, as defined in Health and Safety Code 11014.5.
11. Disrupted school activities or otherwise willfully defied the valid authority of supervisors, teachers, administrators, other school officials, or other school personnel engaged in the performance of their duties.
12. Knowingly received stolen school property or private property.
13. Possessed an imitation firearm, i.e.: a replica of a firearm that is so substantially similar in physical properties to an existing firearm as to lead a reasonable person to conclude that the replica is a firearm.
14. Committed or attempted to commit a sexual assault as defined in Penal Code 261, 266c, 286, 288, 288a or 289, or committed a sexual battery as defined in Penal Code 243.4.
15. Harassed, threatened, or intimidated a student who is a complaining witness or witness in a school disciplinary proceeding for the purpose of preventing that student from being a witness and/or retaliating against that student for being a witness.
16. Made terrorist threats against school officials and/or school property.
17. Committed sexual harassment.
18. Caused, attempted to cause, threatened to cause, or participated in an act of hate violence.
19. Intentionally harassed, threatened or intimidated a student or group of students to the extent of having the actual and reasonably expected effect of materially disrupting

class work, creating substantial disorder and invading student rights by creating an intimidating or hostile educational environment.

The above list is not exhaustive and, depending upon the offense, a pupil may be suspended or expelled for misconduct not specified above.

Alternatives to suspension or expulsion will first be attempted with students who are truant, tardy, or otherwise absent from assigned school activities.

D. Suspension Procedure

Suspensions shall be initiated according to the following procedures:

1. Conference

Suspension shall be preceded, if possible, by a conference conducted by the Executive Director or the Executive Director's designee with the student and his parent and, whenever practical, the teacher, supervisor, or school employee who referred the student to the Executive Director. The conference may be omitted if the Executive Director or designee determines that an emergency situation exists. An "emergency situation" involves a clear and present danger to the lives, safety, or health of students or school personnel. If a student is suspended without this conference, both the parent/guardian and student shall be notified of the student's right to return to school for the purpose of a conference.

At the conference, the pupil shall be informed of the reason for the disciplinary action and the evidence against him/her and shall be given the opportunity to present his version and evidence in his defense.

This conference shall be held within two school days, unless the pupil waives this right or is physically unable to attend for any reason including, but not limited to, incarceration or hospitalization.

No penalties may be imposed on a pupil for failure of the pupil's parent or guardian to attend a conference with school officials. Reinstatement of the suspended pupil shall not be contingent upon attendance by the pupil's parent or guardian at the conference.

2. Notice to Parents/Guardians

At the time of the suspension, an administrator or designee shall make a reasonable effort to contact the parent/guardian by telephone or in person. Whenever a student is suspended, the parent/guardian shall be notified in writing of the suspension. This notice shall state the specific offense committed by the student. In addition, the notice may also state the date and time when the student may return to school. If school officials wish to ask the parent/guardian to confer regarding matters pertinent to the suspension, the notice may request that the parent/guardian respond to such requests without delay.

3. Suspension Time Limits/Recommendation for Placement/Expulsion

Suspensions, when not including a recommendation for expulsion, shall not exceed five (5) consecutive school days per suspension.

Upon a recommendation of Placement/Expulsion by the Executive Director or Executive Director's designee, the pupil and the pupil's guardian or representative will be invited to a conference to determine if the suspension for the pupil should be extended pending an expulsion hearing. This determination will be made by the Executive Director upon either of the following determinations: 1) the pupil's presence will be disruptive to the education process; or 2) the pupil poses a threat or danger to others. Upon either determination, the pupil's suspension will be extended pending the results of an expulsion hearing.

E. Authority to Expel

A student may be expelled either by the Board following a hearing before it or by the Board upon the recommendation of an Administrative Panel to be assigned by the Board as needed. The Administrative Panel should consist of at least three members. The Administrative Panel may recommend expulsion of any student found to have committed an expellable offense.

F. Expulsion Procedures

Students recommended for expulsion are entitled to a hearing to determine whether the student should be expelled. Unless postponed for good cause, the hearing shall be held within thirty (30) school days after the Executive Director or his designee determines that the Pupil has committed an expellable offense.

In the event an administrative panel hears the case, it will make a recommendation to the Board for a final decision whether to expel. The hearing shall be held in closed session unless the pupil makes a written request for a public hearing three (3) days prior to the hearing.

Written notice of the hearing shall be forwarded to the student and the student's parent/guardian at least ten (10) calendar days before the date of the hearing. Upon mailing the notice, it shall be deemed served upon the pupil. The notice shall include:

1. The date and place of the expulsion hearing;
2. A statement of the specific facts, charges, and offenses upon which the proposed is based;
3. A copy of the School's disciplinary rules which relate to the alleged violation;
4. Notification of the student's or parent/guardian's obligation to provide information about the student's status at the school to any other school district or school to which the student seeks enrollment;

5. The opportunity for the student or the student's parent/guardian to appear in person or to employ and be represented by counsel or an advocate;
6. The right to inspect and obtain copies of all documents to be used at the hearing;
7. The opportunity to confront and question all witnesses who testify at the hearing;
8. The opportunity to question all evidence presented and to present oral and documentary evidence on the student's behalf including witnesses.

G. Record of Hearing

A record of the hearing shall be made and may be maintained by any means, including electronic recording, as long as a reasonably accurate and complete written transcription of the proceedings can be made.

H. Presentation of Evidence

While technical rules of evidence do not apply to expulsion hearings, evidence may be admitted and used as proof only if it is the kind of evidence on which reasonable persons can rely in the conduct of serious affairs. A recommendation by the Administrative Panel to expel must be supported by substantial evidence that the student committed an expellable offense.

Findings of fact shall be based solely on the evidence at the hearing. While hearsay evidence is admissible, no decision to expel shall be based solely on hearsay and sworn declarations may be admitted as testimony from witnesses of whom the Board, Panel or designee determines that disclosure of their identity or testimony at the hearing may subject them to an unreasonable risk of physical or psychological harm.

If, due to a written request by the expelled pupil, the hearing is held at a public meeting, and the charge is committing or attempting to commit a sexual assault or committing a sexual battery as defined in Education Code Section 48900, a complaining witness shall have the right to have his testimony heard in a session closed to the public.

The decision of the Administrative Panel shall be in the form of a written recommendation to the Board who will make a final determination regarding the expulsion. The final decision by the Board shall be made within ten (10) school days following the conclusion of the hearing. The Decision of the Board is final.

I. Written Notice to Expel

The Executive Director or his designee following a decision of the Board to expel shall send written notice of the decision to expel, including the Board's findings of fact, to the student's parent/guardian. This notice shall include the following:

1. Notice of the specific offense committed by the student.

2. Notice of the student's or parent/guardian's obligation to inform any new district in which the student seeks to enroll of the student's status with the School.

The Executive Director or designee shall send a copy of the written notice of the decision to expel to the District County.

This notice shall include the following:

- a) The student's name.
- b) The specific expellable offense committed by the student.

J. Disciplinary Records

The School shall maintain records of all student suspensions and expulsions at the School. Such records shall be made available to the District County upon request.

K. Expelled Pupils/Alternative Education

Pupils who are expelled shall be responsible for seeking alternative education programs including, but not limited to, programs within the County or their school district of residence.

L. Rehabilitation Plans

Students who are expelled from the School shall be given a rehabilitation plan upon expulsion as developed by the Board at the time of the expulsion order, which may include, but is not limited to, periodic review as well as assessment at the time of review for readmission. The rehabilitation plan should include a date not later than one year from the date of expulsion when the pupil may reapply to the School for readmission.

M. Readmission

The decision to readmit a pupil or to admit a previously expelled pupil from another school district or charter school shall be in the sole discretion of the Board following a meeting with the Executive Director and the pupil and guardian or representative to determine whether the pupil has successfully completed the rehabilitation plan and to determine whether the pupil poses a threat to others or will be disruptive to the school environment. The Executive Director shall make a recommendation to the Board following the meeting regarding his determination. The pupil's readmission is also contingent upon the School's capacity at the time the student seeks readmission.

ATTACHMENT 22: IMPACT ON THE CHARTER AUTHORIZER

This statement is intended to fulfill the terms of Education Code Section 47605(g) and provides information regarding the proposed Discovery Charter School's operation in and potential effects on the District County. This document is intended for informational purposes only and to assist the District County in understanding how the proposed School may affect the District County. This, as an informational document, does not constitute a legally binding contract or agreement, is not intended to govern the relationship of DCS and the District County, and is not a part of the charter of the School or any related agreements or memoranda of understanding.

A. Estimated Number of Students

The School plans to enroll approximately 350 students in its first year of operation. At full grade K-8th build out, we estimate the School will have approximately 450 students. Based on these enrollment projections, the School estimates that it will require 15-20 teachers, one Executive Director, a Business Services Administrator, and an Office Assistant to operate effectively in its first year.

B. Support Services

The School's Executive Director will assume the lead responsibility for administering the School under the policies adopted by the Discovery Charter School Board of Directors. The School will provide or procure its own administrative services, including, but not limited to, financial management, legal, and personnel. However, DCS is interested in discussing fee for service arrangements for services from the District County if available.

C. Process and Policies Between the School and the District County

In accordance with Education Code Section 47613, the District County may charge for the actual costs of supervisory oversight not to exceed 1 percent of the revenue of the charter school to be increased to 3 percent of the revenue of the charter school if the charter school is able to obtain substantially rent free facilities from the chartering agency. "Revenue" is defined in accordance with Education Code Section 47613(f) as the general purpose entitlement and categorical block grant, as defined in Education Code Section 47632(a) and (b).

"Supervisory oversight," as used in Education Code Section 47613 and Education Code Section 47604.32, shall include the following:

- All activities related to the Charter revocation and renewal and processes as described in Section 47607;
- Activities relating to monitoring the performance and compliance of the Charter School with respect to the terms of its Charter, related agreements, and all applicable laws;
- Participating in the dispute resolution process described in the Charter;
- Review and timely response to the Charter School's Annual Independent Fiscal and Performance Audit;

- Identify at least one Staff member as a contact person for the Charter School;
- Visit the Charter School at least annually;
- Monitor the fiscal condition of the Charter School; and
- Provide timely notification to the California Department of Education if any of the following circumstances occur:
 - A renewal of the charter is granted or denied;
 - The charter is revoked; or
 - The Charter School will cease operation for any reason.

D. Charter Renewal

The School's initial charter shall expire five years after approval by the District County. During that period, the School is responsible for demonstrating progress and meeting the goals of the Charter. DCS may present a petition to renew or amend the Charter at any time and the District County agrees to respond to such petitions pursuant to the process and timelines specified in Education Code Section 47605 and Education Code Section 47607 or its successors. Each Charter renewal shall be for a period of five years or longer as allowed by law. The progress and accomplishments of the School shall be measured according to the criteria specified in the sections of the California Education Code on school performance.

E. Facilities

DCS strongly desires to locate the School on one site within District boundaries. DCS intends to submit a request for district facilities under the terms of California Proposition 39. DCS shall discuss with the District County the specific terms, rights, and responsibilities related to the location of the School on a District facility pursuant to Education Code Section 47614 and its implementing regulations. DCS reserves the right to obtain use of a facility meeting the following criteria: (1) approximately 100 square feet per student; (2) a contiguous school site that can safely accommodate our anticipated initial first year enrollment of 350 students. We would anticipate that the site contain a minimum of 19 classrooms, a library, multi-purpose room, cafeteria, and space for administrative and staff personnel.

F. Civil Liability

The School shall be operated as a California non-profit public benefit corporation, Discovery Charter School. DCS is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code and California Revenue and Taxation Code Section 23701d. The central objective of the corporation is to provide public education for residents of the State of California, in accordance with the Charter Schools Act, California Education Code Section 47600, et seq.

As such, in accordance with Education Code Section 47604(c), if the District County complies with all oversight responsibilities required by law, the District County shall not be liable for the debts or

obligations of the Charter School or for claims arising from the performance of acts, errors, or omissions by the Charter School. Further, the School and the ~~District~~County shall enter into a Memorandum of Understanding (MOU), which shall provide for indemnification of the ~~District~~County.

**ATTACHMENT 23: PROPOSAL FOR OFFICE SERVICES BY CHARTER SCHOOL
MANAGEMENT CORPORATION**

CSMC

Helping Charter Schools Succeed
27368 Via Industria #114
Temecula, CA 92590

September 15, 2005

Charter School Management Corporation proposes the following to Discovery Charter School related to its new charter school.

SETUP

This phase encompasses services required to setup the operational and business components for Discovery Charter School.

1. Operational Plan Setup:

Creation and implementation of processes and controls related to receipt of funds, expenditure of funds, internal cash controls, internal procedures, and internal operating structure. All Operational Plan components will conform to and allow for compliance with sponsoring School District requirements for charter schools within the district.

2. Payroll Setup:

Creation and implementation of payroll system either tied to the County payroll system – or with a reputable payroll services provider (i.e. ADP). This setup involves all work necessary to create a fully functional and compliant payroll system for the charter school. This includes the forms, documents, and data required to gather and maintain all necessary employee information. The system will be fully capable of providing data necessary for the compliant reporting of STRS and PERS.

3. Human resources Setup:

Creation and implementation of a Human Resources process and function. This will include the creation of an employee handbook, and the compilation of employee benefits and services information.

4. Charter Accountability and Reporting Systems Setup:

Creation and implementation of a Charter Law and sponsoring Unified School District compliant system for attendance recording, categorical programs recordkeeping, and all accounting systems and controls. This will include the establishment of the schools General Ledger accounts, and all bookkeeping systems. It will include the creation of all necessary forms and processes necessary to incorporate compliant accountability systems. This will include all other systems and processes necessary to achieve and maintain auditable status.

5. Charter Business Setup:

Includes the creation and submittal of all necessary governing and organizing documents which have not been yet formulated – including Articles of Incorporation, Bylaws, Agenda templates, Meeting Minute Templates. All financial and operational information for any grants public or private shall be provided by CSMC during the setup phase and on an ongoing basis.

6. Charter Negotiations

CSMC shall provide personnel and advice related to any facilities related negotiations with prospective landlords, and/or their representatives. CSMC shall provide personnel and advice related to any ongoing MOU formation and negotiation with Sponsoring Unified School District. CSMC will assist the charter school in securing any available Charter School Facility Financing or Bond availability, QZAP bonds, or private financing as conditions allow. CSMC shall assist the charter school in obtaining lines of credit or other financing vehicles as necessary and as conditions allow.

For sustainability and as a part of the Startup Process the following will also be provided:

Cash Management

Perform an analysis and develop models exhibiting potential future cash impact on the charter school operations.

Upon Completion of Setup and on an Ongoing basis – Charter School Management shall perform the following functions:

All Ongoing Budget Preparation.

- Includes creation, and necessary modification of the Charter School's budget. Includes current year and future year budget creation.
- Includes alignment of Budget with actual accrued revenue and expenditures.

All Ongoing Attendance Reporting

Includes all required District, County and State attendance reports for General ADA, as well as any reporting related to CSR, or other Federal or State categorical programs.

Includes special request reports from local or state authorities

Includes all required reporting for Sponsoring Unified School District

All Ongoing Accounting Services

Includes payment and processing of A/P in county warrant system, or the schools A/P system, and the entry of all transactions into the ACCPAC accounting package.

Includes accrual and entry of all A/R, Payroll, Capital, and debt transactions. Includes full monthly reporting of Profit and Loss, Balance Sheet, and Cash Flow vs. Budget.

Includes online access to full reporting by charter school of all accounting reports through the CSMC web client login.

Includes a full package of Actual vs. Budgeted reports, as well as all standard and detailed level financial reports required for the charter school's governing board.

Includes all required financial reports for Sponsoring Unified School District

All Ongoing Fiscal Control Systems

Includes monitoring of proper procedures for all fiscal transactions, monitoring of incoming funds, expenditure planning and controls, petty cash controls, and audit preparation. Consultant shall be point group for coordinating the annual audit with the schools selected audit firm.

Includes being point group for any district review or audit programs.

All Ongoing Payroll System Administration

Includes management and entry of all payroll into county payroll or contracted payroll system. All filings of quarterly state and federal tax filings will be processed by consultant on a timely basis as required by law.

Any necessary Fiscal/Operational/Management advice as required by the Charter School – on any related issues.

Includes applications and management of charter eligible categorical programs, Parts 1 and 2 of the Consolidated Application, Class Size Reduction application, updates to the charter schools LEA plan, and point work on Coordinated Compliance Reviews.

Proposed Fees:

Setup Phase: \$10,000.00

Ongoing monthly services: \$3000.00/ month.

Proposed Contract Period:

Setup – From 10/1/05 – 7/31/06

Ongoing – 8/1/06 – 7/31/07

This agreement can be terminated at any time only by the mutual written consent of both parties. Either party may unilaterally terminate this agreement only with 90 days written notice. The filing of bankruptcy or otherwise dissolution of either party shall automatically terminate this agreement.

The Consultant shall indemnify and hold the Charter School and its officers and employees harmless from and shall process and defend at its own expense all claims, demands, or suits at law or equity arising in whole or in part from the Consultant's negligence or breach of any of its obligations under this agreement; provided that nothing herein shall require a consultant to indemnify the Charter School against and hold harmless the Charter School from claims, demands or suits based solely upon the conduct of the Charter School, its agents, officers and employees; and provided further that if the claims or suits are caused by or result from the concurrent negligence of (a) the consultant's agents or employees and (b) the Charter School, its agents, officers and employees, this indemnity provision with respect to (1) claims or suits based upon such negligence (2) the costs to the

Charter School of defending such claims and suits shall be valid and enforceable only to the extent of the Consultant's negligence or the negligence of the Consultant's agents or employees.

This Agreement is not assignable without written consent of the parties hereto.

Consultant shall comply with all federal, state, and local laws, rules, and regulation in relation to the direct performance of the assigned duties by the Charter school.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed:

Charter School

CSMC
27368 Via Industria #114
Temecula, CA 92590

By: _____

By: _____

Dated _____, 2005

Dated _____, 2005

Please feel free to contact us with any questions.

Sandro Lanni
CSMC
951-491-0446
fax 951-491-0450
slanni@csmcet.com

ATTACHMENT 24: DISCOVERY CHARTER SCHOOL MULTI-YEAR FINANCIAL PROJECTIONS

DISCOVERY CHARTER SCHOOL

MULTI-YEAR FINANCIAL PROJECTIONS

Discovery Charter School

P.O. Box 1484

Campbell, CA 95009-1484

15 December 2005 ~~26 September 2005~~

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I. INTRODUCTION

These Multi-Year Financial Projections ("Financial Projections") are submitted to the ~~Board of Trustees of the Moreland School District ("the District")~~ Santa Clara County Office of Education (the "County") in support of Discovery Charter School's charter school petition.

Discovery Charter School ("DCS" or "the School") seeks authorization to serve students in kindergarten through eighth grade, offering instruction for kindergarten through grade six the first year, with the possibility of also offering instruction for grades seven and eight in the first year or of adding grades seven and eight over the following two years.

Section 47605(g) of the California Education Code requires that charter school Petitioners "provide financial statements that include a proposed first-year operational budget, including startup costs, and cash flow and financial projections for the first three years of operation." Although only three-year projections are required, the Petitioners thought it best to provide five-year projections to coincide with the term of the requested charter. These projections include estimates of the proposed charter school's revenues and expenses following approval of the charter petition. These projections include:

- Budget Assumptions
- Discussion of Financial Scenarios
- Five-Year Budget, Including Startup Costs
- Five-Year Monthly Cash Flow Projections

In preparing these Financial Projections, we have enlisted the assistance of Vogel & Associates, a California-based consulting firm, located in San Francisco, serving a broad spectrum of education clients. Cathi Vogel, the president of Vogel & Associates, has more than 20 years experience as the chief financial and/or business officer for several California school districts.

The firm's goal is to provide assistance to charter schools and other educational agencies with comprehensive business management consulting services. Services include asset management, business planning, budget review, cost benefit analyses, multi-year strategic financial projections, organizational design and structure, facilities planning and finance, coordination of short- and long-term financing for school needs, compensation analysis, and other fiscal management services.

The Petitioners wish to acknowledge that educational financial projections involve many unknowns, especially in light of the political nature of California educational spending. Given these realities, such as the upcoming November special elections, this should be considered a fluid document. The Petitioners will monitor and adjust the budget on a regular basis to take into account changes that may affect these Financial Projections.

The Petitioners believe that the assumptions used in these Financial Projections are conservative and are based on the best information available to them at this time.

II. BUDGET ASSUMPTIONS

The key assumptions of the Financial Projections are listed below. Additional details may be found in the Key Variables Worksheets of the Financial Projections.

Enrollment

The base scenario estimates that the School will open with a total of 350 students in grades K-6 and add grades 7 and 8 over the next two years. We expect grades K-3 to have 20 students per class and expect grades 4-8 to average 25 students per class. After full 8th grade rollout under this scenario, DCS would have five K/1 classes, five 2/3 classes and two classes each for 4th, 5th, 6th, 7th and 8th grades, for a total of 450 students.

ADA/Enrollment Ratio

We have assumed an initial ratio of ADA/enrollment ratio of 96%, based on estimates by Vogel & Associates. Since charter schools can begin independent study on the first day of absence, in order to help students avoid falling behind and to increase ADA, DCS intends to set up independent study for students whenever they are absent.

District County Supervisory Fee

DCS would pay the District County a supervisory fee equal to 1% of the School's combined block grant revenues (general purpose block grant and charter categorical block grant).

Facilities

DCS intends to submit a Proposition 39 request to the Moreland School District (the "District") for district facilities and has assumed Proposition 39 district facilities for budgeting purposes.

There are two formulas for calculating facilities costs under Proposition 39, which were intended by the authors of Proposition 39 to be essentially the same:

1. The pro rata share on a square footage basis of the District's total facilities costs (excluding certain items such as deferred maintenance and costs that the charter would pay such as janitorial costs); or
2. A supervisory fee equal to 2% of the charter's combined block grant revenues if the District provides essentially free facilities. This 2% supervisory fee would be in addition to the 1% general supervisory fee paid by the charter to the District County.

We have assumed that the School would pay the District an additional 2% supervisory fee rather than the pro rata share of district facilities costs square footage basis.

Class Size and Class Size Reduction

DCS intends to qualify for K-3 Class Size Reduction funding.

State Aid/In Lieu of Property Tax Revenues

For cash flow purposes we have assumed that approximately 5% of the general purpose block grant would be funded by state aid and that the remaining 95% would be funded by property taxes. This estimate is based on District data provided on the Ed-Data website

English Language Learners and Free/Reduced Lunch Students

The Petitioners have estimated that English Language Learners and Free/Reduced Lunch Students will each constitute 10% of the student enrollment.

CDE Revolving Loan

DCS intends to apply for a California Department of Education ("CDE") Revolving Loan of up to \$250,000, available for new charter schools. The Revolving Loan is for a 5-year term, with an interest rate of approximately 1.7%. Principal is to be repaid beginning the fiscal year following disbursement. Given the high likelihood of obtaining this loan (per Vogel & Associates), these funds and subsequent payback have been included in our cash flow projections.

Designation for Economic Uncertainties

Although California charter law does not require charter schools to establish and maintain cash reserves, for reasons of business prudence the Petitioners have designated 2.5% of projected expenditures for economic uncertainties.

Special Education Encroachment Reimbursement

[NOTE: The financial projections in Petitioner's Multi-Year Financial Plan were prepared based on the assumption that the Charter School would be an arm of the District for special education purposes. Under the proposed arrangement with the District, special education services would have been provided by the District and the Charter School would have paid the District its pro rata share of total District (including Charter School students) special education encroachment costs. Under this model, the District would retain all special education revenues that would accrue to Discovery Charter School students. The District estimated its encroachment costs would be approximately \$600 per ADA for the 2005-06 school year. This figure, adjusted annually for inflation, was used in our financial projections.]

Thus the Multi Year Financial Plan financial projections show only net special education costs that would not be reimbursed by state or federal special education funding rather than full revenue and expense items. Per a review of school districts and charter schools within the region, we believe that the net special education cost estimate of \$600 per student, schoolwide, reflected in our Financial Plan as a net Encroachment Expenses applied to all Charter School enrollees, would be a conservative cost estimate regardless of what special education service delivery and funding model is ultimately determined by the parties.]

We have assumed that DCS will be an arm of the District County for special education purposes and that DCS and the District County will enter into a Memorandum of Understanding ("MOU") under which

~~DCS would reimburse the District for DCS's pro-rata share of Moreland School District's encroachment costs for Special Ed services (based on the ratio of total DCS ADA to total District ADA).~~

~~As typically a county office of education is not set up to serve the special education needs of a charter school, the Charter School shall provide special education instruction and related services internally and as necessary through a contract with another public entity, as available, or a third-party, appropriately licensed contract service provider.~~

We would like to discuss these details further with the District County and formalize the arrangement in an MOU.

The Charter School shall assume the risk of costs in excess of state and federal funding.

We have used the District 2005-06 estimate of \$600 per ADA for the Financial Projections.

Program Site Council-Funded Programs

Program Site Council-funded programs such as field trips and other classroom enrichment activities (cooking, gardening, art, etc.) will be funded by the DCS Program Site Council. Therefore the revenue sources (such as Scrip) and costs for these programs are not included in the Financial Projections.

Grant Funding

DCS has applied for a CDE Public Charter School (PCS) Startup Grant in July of this year. The grant would pay for startup and implementation costs up to \$450,000. The grant recipients will be announced on 10 November 2005 by the State Board of Education.

In addition to the PCS Startup Grant, DCS has researched and identified several foundations to which we intend to apply for educational grants. Among these are the Walton Family Foundation (average grant of \$148,000) and the Stuart Foundation (average grant of \$127,000).

Grant funding has not been included in our financial projections.

Cost of Living Adjustments

Unless noted otherwise, revenue and expenditure projections are based on current-year estimates (2005-2006) and are adjusted in future years by appropriate statutory or cost-of-living adjustments.

REVENUES

Revenues – State Programs

Revenue figures for state programs were obtained from the California Charter Schools Association (CCSA) and the California Department of Education (CDE).

The charter school general purpose block grant for fiscal year 2005-06 is:

Grades K-3: \$4950 per P-2 ADA.

Grades 4-6: \$5024 per P-2 ADA.

Grades 7-8: \$5168 per P-2 ADA.

The charter school categorical block grant is:

\$400 for fiscal year 2006-07 per P-2 ADA.

\$500 for fiscal year 2007-08 per P-2 ADA.

The California Lottery revenue projection for fiscal year 2005-06 is:

\$29 for restricted funds per P-2 ADA (CBEDS estimate).

\$125 for unrestricted funds per P-2 ADA (CBEDS estimate).

California Lottery funds for the first year of operation would not be disbursed until December of Year 2.

Class Size Reduction (K-3) amount for fiscal year 2005-06 is \$967 per K-3 P-2 ADA.

Economic Impact Aid revenues are based on estimated annual funding of \$120 per eligible student for fiscal year 2006-07 and fiscal year 2007-08.

Revenues – Local Programs

Pledge Drive income is estimated at an average \$250 per student each year for the first three years and \$150 per student per year thereafter. This estimate is based on the May 2003 Moreland Discovery School (MDS) pledge drive average of \$285 per student.

Corporate Matching Funds are estimated at \$2,000 in Year 0 and \$10,000 in Year 1 and subsequent years. Historical data at MDS/EDS show a range of \$5,000-9,000 per year without a directed effort. Focused effort should allow DCS to reach the budgeted figures.

Other State Programs

The budget includes items for STAR 2005 CST-CAT/6 Survey Apportionment and the SABE/2 apportionment (English Learner Testing) for grades 2 through 8.

Summer School Enrichment and Hourly Remedial Programs

No hourly or summer programs have been projected at this time. However, a summer program and other optional hourly instructional programs will be considered in the future in light of the need for and capacity to provide such programs.

Federal Programs

We anticipate that DCS will not be eligible for funding under most federal education programs. To be conservative, DCS has not included federal revenues in the Financial Projections.

EXPENDITURES

1000 - 1999 - Certificated Salaries

Certificated salary projections reflect salary costs for the Executive Director in Year 0, the addition of 16 teachers in Year 1 at an average annual salary of \$57,000, and the addition of new 2 teachers in each of Years 2 and 3. The projections also include a substitute teacher expense of \$125 per day for 10 days per teacher per year.

2000 – 2999 - Classified Salaries

Classified salary projections include start up costs for a clerical position in Year 0 and addition of a custodian (7.5 hours per day), an English Learner Aide (4.0 hours per day) and a Media Specialist (4.0 hours per day) in Year 1. Physical Education services are to be contracted.

3000 – 3900 - Employee Benefits

The employee benefits projections include retirement, health, and employer taxes for the Executive Director and the Office Assistant beginning in Year 0 and benefit coverage for a Business Service Administrator, the teachers and a custodian in subsequent years. Health insurance projections are based on a maximum annual employer contribution of \$8,000 per employee.

The cost of Workers Compensation was estimated at 3.0% of payroll by the CCSA Joint Power Authority.

4100 – Textbooks and Core Curriculum Materials

The cost of new textbooks has been estimated at \$200 per new classroom seat each year. The cost of curriculum materials (manipulatives) has been estimated at \$150 per new classroom seat each year.

4200 – Books and Reference Materials

The cost for establishing a school library has been estimated at \$75 per student in Year 1 and \$10 per student in subsequent years. The cost for establishing classroom libraries has been estimated at \$20 per new classroom seat per year. The estimated cost of reference materials is \$100 per teacher each year.

4300 – Materials and Supplies

The estimated annual cost of custodial supplies is \$25 per student. The estimated annual cost of instructional/office supplies is \$75 per student.

The estimated printing and reproduction (paper only) cost of \$5 per student each year is based on the current EDS usage of 20 cases of paper every 6 weeks at a cost of \$25/case. Based on a recent quote, the cost of toner is included in the cost of the copier lease.

4700 – Food

DCS intends to contract food services such that food service operations will be self sufficient.

5100 – Personal Services

Contracted physical education services are based on 2 hours of physical education instruction per class per week.

Contracted music services are based on 1 hour of music instruction per class per week.

5400 – Insurance

The projected cost of \$14,000 for insurance in Year 1 is based on the School's occupying leased or District facilities. The insurance would cover contents, school board, general liability, auto, crime, employee dishonesty, and excess liability up to \$15 million. This estimate was obtained from the CCSA Joint Power Authority.

5500 – Operation and Housekeeping Services

The estimated cost of fingerprinting/background checks is \$50 per person for all staff and 280 volunteers in Year 1 and for 48 new volunteers and staff in each subsequent year.

Given that the specific facility is not known at this time, grounds and landscaping expenses have been projected at 1% of combined block grant revenues per Vogel & Associates.

5600 – Rentals, Lease, Repairs, and Non-Capitalized Improvements

The cost of temporary office space for Year 0 is estimated at \$400 per month. The cost of school facilities assumes use of District facilities under Proposition 39 and payment of a District Facilities Oversight Fee (2% of combined block grant).

The estimated cost of leased equipment is for a service contract at \$2100/month for four copiers, including the cost of service and toner. The cost of electronic equipment repairs is estimated at \$500 per year. Routine property maintenance and repairs are estimated at \$500 per month. Deferred maintenance for District facilities would be the responsibility of the District under Proposition 39.

5800 – Professional/Consultant Services and Operational Expenses

Annual audit expenses are estimated at \$6,000 per year.

The ~~District-County~~ Oversight Payment is 1% of the School's combined block grant as specified by the California Education Code and Regulations.

The reimbursement to the ~~District-County~~ for special education encroachment is estimated at \$600 per ADA. The District provided this estimate for fiscal year 2005-06.

Contracting with an outside company to provide business office services involves a setup cost of \$10,000, which includes costs for operational plan setup, payroll setup, human resources setup, charter accountability and reporting systems setup. The monthly service fee of \$3,000 includes ongoing budget preparation, attendance reporting, accounting, audit preparation, payroll and fiscal/operational/management consulting services. See charter for copy of proposal for provision of office services by the Charter School Management Corporation.

Utility projections are based on monthly average usage at EDS for the last 12 months as calculated on a per student basis.

6100 - 6900 – Capital Expenses

DCS has planned for a computer system for office staff, each teacher, the English Learner aide and the Media Specialist. DCS plans two student computers per classroom and a computer lab of at least 10 computers. These costs have not been tied to the Consumer Price Index (CPI) because of declining technology costs. The cost of relevant software has been included in this category. For the purpose of budget and cash flow projections, the costs of computers and other capital equipment have been shown as fully expensed in the year of purchase.

III. SUMMARY OF FINANCIAL SCENARIOS AND WORKING CAPITAL FINANCING

Base Scenario Budget

The base scenario shown in the Financial Projections assumes that the School will open with a total of 350 students in grades K-6 and add grades 7 and 8 over the next two years. Grades K-3 have 20 students per class while grades 4-8 average 25 students per class. At expected capacity, DCS would have five K/1 classes, five 2/3 classes and two classes each for grades 4th, 5th, 6th, 7th and 8th grades, for a total of 450 students.

The enrollment and budget summary for this base scenario are shown below. Please see Section IV for the detailed budget projections and Section V for the detailed cash flow projections for the base scenario.

Base Scenario: Enrollment Summary

Number of Classes	Year 1	Year 2	Year 3	Year 4	Year 5
K/1	5	5	5	5	5
2/3	5	5	5	5	5
4	2	2	2	2	2
5	2	2	2	2	2
6	2	2	2	2	2
7	0	2	2	2	2
8	0	0	2	2	2

The base scenario includes the CDE Revolving Loan of \$250,000 and assumes that all amounts designated for economic uncertainties are fully spent each month.

As can be seen in the budget overview below, DCS shows a net surplus (after allowing for economic uncertainties) for every year except Year 1, which would be covered by the CDE Revolving Loan.

The primary issue for the financial viability of DCS is thus one of cash flow.

Base Scenario: Budget Summary

BUDGET OVERVIEW							
Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	
Student Enrollment	0	350	400	450	450	450	
Number of Teachers	0	16	18	20	20	20	
Total Revenues	\$ 94,740	\$ 2,224,970	\$ 2,624,059	\$ 3,008,938	\$ 3,040,017	\$ 3,118,200	
Total Expenditures	46,442	2,308,256	2,369,606	2,675,871	2,747,901	2,860,263	
Operating Surplus/Deficit	\$ 48,298	\$ (83,286)	\$ 254,453	\$ 333,067	\$ 292,116	\$ 257,937	
Designated for Economic Uncertainties	\$ 1,161	\$ 57,706	\$ 59,240	\$ 66,897	\$ 68,698	\$ 71,507	
Net Surplus/Deficit	\$ 47,137	\$ (140,993)	\$ 195,213	\$ 266,170	\$ 223,419	\$ 186,431	
CDE Revolving Loan Proceeds/(Payments)	\$ 0	\$ 250,000	\$ (66,750)	\$ (65,688)	\$ (64,625)	\$ (63,563)	
Ending Cash Balance	47,137	(13,442)	109,245	285,315	464,103	582,586	
Lowest Cash Balance	0	(13,442)	9,496	208,365	428,611	582,586	

Base Scenario Cash Flow

As shown in the Cash Flow Projections in Section V, a cash deficit of \$13,500 would occur in June of Year 1, which would be eliminated the next month on the receipt of property tax funding of \$115,500

If DCS is awarded the PCS Startup Grant on 10 November 2005 (Year 0), no cash flow deficits would be projected.

Other grants or additional fundraising totaling \$31,000 or more before June of Year 1 would eliminate the projected cash deficits.

Working Capital

Any cash deficits would be covered by a combination of grant funds, additional fundraising, or a commercial line of credit or other form of short-term financing. DCS has been in contact with a commercial lender recommended by the California Charter Schools Association that provides working capital loans to charter schools secured by anticipated state revenues. This lender has indicated that qualification for such a loan should be straightforward provided that anticipated state revenues are documented.

To ensure that unforeseen contingencies can be covered, DCS has designated 2.5% of projected expenditures for economic uncertainties. After December of Year 2, the projected cash balance exceeds \$100,000 and by Year 3 exceeds \$200,000.

Supplemental Scenarios

The Petitioners have also made projections for the following additional scenarios. Section VI shows summary financial projections for two additional scenarios, which show that higher enrollment is financially feasible. All other assumptions remain the same.

Supplemental Scenario 1 (Add Grades 7 and 8 in Year 1):

This scenario would add 1 class each for grades 7 and 8 in Year 1 and keep the number of students per class for grades 4-8 at 25.

Supplemental Scenario 1: Enrollment Summary

Number of Regular Classes	Year 1	Year 2	Year 3	Year 4	Year 5
K/1	5	5	5	5	5
2/3	5	5	5	5	5
4	2	2	2	2	2
5	2	2	2	2	2
6	2	2	2	2	2
7	1	2	2	2	2
8	1	1	2	2	2

Supplemental Scenario 1: Budget Summary
BUDGET OVERVIEW

Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget
Student Enrollment	0	400	425	450	450	450
Number of Teachers	0	18	19	20	20	20
Total Revenues	\$ 107,303	\$ 2,523,114	\$ 2,779,475	\$ 3,008,998	\$ 3,040,011	\$ 3,118,194
Total Expenditures	46,442	2,543,965	2,463,561	2,663,935	2,749,081	2,861,459
Operating Surplus/Deficit	\$ 60,860	\$ (20,851)	\$ 315,914	\$ 345,063	\$ 290,930	\$ 256,735
Designated for Economic Uncertainties	\$ 1,161	\$ 63,599	\$ 61,589	\$ 66,598	\$ 68,727	\$ 71,536
Net Surplus/Deficit	\$ 59,699	\$ (84,450)	\$ 254,324	\$ 278,465	\$ 222,203	\$ 185,199
CDE Revolving Loan Proceeds/(Payments)	\$ 0	\$ 250,000	\$ (66,750)	\$ (65,688)	\$ (64,625)	\$ (63,563)
Ending Cash Balance	59,699	30,820	239,444	437,958	603,399	720,650
Lowest Cash Balance	0	30,820	128,292	358,904	569,061	720,650

Supplemental Scenario 2 (Increase Number of K/1 and 2/3 Classes and Size of 4-6 Classes):

This scenario would add one class for K/1 and for 2/3 and increase the number of students per class for grades 4-6 to 28.

Supplemental Scenario 2: Enrollment Summary

Number of Regular Classes	Year 1	Year 2	Year 3	Year 4	Year 5
K/1	6	6	6	6	6
2/3	6	6	6	6	6
4	2	2	2	2	2
5	2	2	2	2	2
6	2	2	2	2	2
7	0	2	2	2	2
8	0	0	2	2	2

Supplemental Scenario 2: Budget Summary

BUDGET OVERVIEW

Ordinal Year Fiscal Year	Year 0 2005-06	Year I 2006-07	Year II 2007-08	Year III 2008-09	Year IV 2009-10	Year V 2010-11
	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget
Student Enrollment	0	408	464	520	520	520
Number of Teachers	0	18	20	22	22	22
Total Revenues	\$ 109,313	\$ 2,598,258	\$ 3,050,102	\$ 3,484,099	\$ 3,520,204	\$ 3,610,755
Total Expenditures	46,442	2,554,701	2,597,629	2,918,135	2,996,666	3,119,679
Operating Surplus/Deficit	\$ 62,870	\$ 43,557	\$ 452,473	\$ 565,964	\$ 523,538	\$ 491,075
Designated for Economic Uncertainties	\$ 1,161	\$ 63,868	\$ 64,941	\$ 72,953	\$ 74,917	\$ 77,992
Net Surplus/Deficit	\$ 61,709	\$ (20,310)	\$ 387,533	\$ 493,011	\$ 448,621	\$ 413,083
CDE Revolving Loan Proceeds/(Payments)	\$ 0	\$ 250,000	\$ (66,750)	\$ (65,688)	\$ (64,625)	\$ (63,563)
Ending Cash Balance	61,709	93,744	409,774	809,611	1,215,840	1,560,296
Lowest Cash Balance	0	67,970	178,526	553,988	977,433	1,359,982

IV. FIVE-YEAR BUDGET PROJECTIONS

Discovery Charter School

Budget Projections, 2005-2011

Number of Classes per Grade Level	Year I 2006-07	Year II 2007-08	Year III 2008-09	Year IV 2009-10	Year V 2010-11
K/1	5	5	5	5	5
2/3	5	5	5	5	5
4	2	2	2	2	2
5	2	2	2	2	2
6	2	2	2	2	2
7	0	2	2	2	2
8	0	0	2	2	2

Summary of Enrollment by Grade Level

	Year I 2006-07 Projected CBEDS	Year II 2007-08 Projected CBEDS	Year III 2008-09 Projected CBEDS	Year IV 2009-10 Projected CBEDS	Year V 2010-11 Projected CBEDS
Kindergarten	50	50	50	50	50
1st Grade	50	50	50	50	50
2nd Grade	50	50	50	50	50
3rd Grade	50	50	50	50	50
4th Grade	50	50	50	50	50
5th Grade	50	50	50	50	50
6th Grade	50	50	50	50	50
7th Grade	0	0	0	0	0
8th Grade	0	0	0	0	0
Total	350	400	450	450	450
Summary of All Enrollment by Grade Group					
Grades K-3	200	200	200	200	200
Grades 4-6	150	150	150	150	150
Grades 7-8	0	50	100	100	100
Total	350	400	450	450	450

Discovery Charter School

BUDGET OVERVIEW

Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget
Student Enrollment	0	350	400	450	450	450
Number of Teachers	0	16	18	20	20	20
Total Revenues	\$ 94,740	\$ 2,224,970	\$ 2,624,059	\$ 3,008,938	\$ 3,040,017	\$ 3,118,200
Total Expenditures	46,442	2,308,256	2,369,606	2,675,871	2,747,901	2,860,263
Operating Surplus/Deficit	\$ 48,298	\$ (83,286)	\$ 254,453	\$ 333,067	\$ 292,116	\$ 257,937
Designated for Economic Uncertainties	\$ 1,161	\$ 57,706	\$ 59,240	\$ 66,897	\$ 68,698	\$ 71,507
Net Surplus/Deficit	\$ 47,137	\$ (140,993)	\$ 195,213	\$ 266,170	\$ 223,419	\$ 186,431
CDE Revolving Loan Proceeds/(Payments)	\$ 0	\$ 250,000	\$ (66,750)	\$ (65,688)	\$ (64,625)	\$ (63,563)
Ending Cash Balance	47,137	(13,442)	109,245	283,315	464,103	582,586
Lowest Cash Balance	0	(13,442)	9,496	208,365	428,611	582,586

Discovery Charter School

Multi-Year Budget Summary

Budget Item	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget
REVENUES						
State Programs						
Charter School General Purpose Block Grant Allocation	\$ 0	\$ 1,737,463	\$ 2,050,812	\$ 2,378,031	\$ 2,442,237	\$ 2,508,178
Charter School Categorical Block Grant Allocation	0	134,400	192,000	221,832	227,821	233,973
California Lottery - Restricted Funds - Prop 20	0	10,177	11,631	13,085	13,085	13,085
California Lottery - Unrestricted Funds - Non-Prop 20	0	43,867	50,134	56,401	56,401	56,401
CA Primary (K-3) Class Size Reduction)	0	192,719	198,115	203,464	208,958	214,600
Economic Impact Aid	0	8,127	9,216	10,648	10,935	11,231
Summer and Hourly Programs	0	0	0	0	0	0
Other State Programs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GDE Charter School Startup Grant	0	0	0	0	0	0
Other State Grants (Identify)	0	0	0	0	0	0
STAR 2005 CST-CAT/R Survey	0	0	0	0	0	0
Appointment	0	654	807	967	993	1,019
SABE/2 appointment (English Learner Testing)	0	63	78	94	96	99
Total State Programs	\$ 0	\$ 2,127,470	\$ 2,512,793	\$ 2,884,521	\$ 2,960,527	\$ 3,038,585
Federal Programs						
Title I - Compensatory Education	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Title II - Staff Development	0	0	0	0	0	0
Title III - Piggyback Funds	0	0	0	0	0	0
Title IV - Safe & Drug Free Schools	0	0	0	0	0	0
Title V - Innovative Programs	0	0	0	0	0	0
Title VI - Class Size Reduction	0	0	0	0	0	0
Other Federal Programs	0	0	0	0	0	0
Other Federal Grants (Identify)	0	0	0	0	0	0
Total Federal Programs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total State and Federal Programs	\$ 0	\$ 2,127,470	\$ 2,512,793	\$ 2,884,521	\$ 2,960,527	\$ 3,038,585
Local Programs						
Donations	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Pledge Drive	87,500	87,500	100,000	112,500	67,500	67,500
Composite Matching Programs	2,000	10,000	10,000	10,260	10,537	10,832
Interest	240	0	1,266	1,657	1,453	1,283
Rents & Fees	0	0	0	0	0	0
Total Local Programs	\$ 94,740	\$ 97,500	\$ 111,266	\$ 124,417	\$ 79,490	\$ 79,615
TOTAL REVENUES	\$ 94,740	\$ 2,224,970	\$ 2,624,059	\$ 3,008,938	\$ 3,040,017	\$ 3,118,200

Discovery Charter School

Multi-Year Budget Summary

Budget Item	Ordinal Year Fiscal Year					Year V 2010-11 Projected Budget
	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	
EXPENDITURES						
Certificated Salaries	\$ 21,944	\$ 1,054,447	\$ 1,217,205	\$ 1,391,657	\$ 1,444,540	\$ 1,499,432
Classified Salaries	8,400	133,391	138,193	143,306	148,752	154,405
Employee Benefits	7,879	322,082	371,949	426,125	447,248	469,471
Books & Supplies	0	137,600	75,615	89,181	72,722	84,780
Services & Operational Expenses	6,720	530,709	553,348	612,209	627,636	645,173
Capital Outlay	1,500	70,027	13,296	13,393	7,003	7,003
Other Outgo	0	0	0	0	0	0
Direct Support/Indirect Costs	0	0	0	0	0	0
Other Expenditures (Identify)	0	0	0	0	0	0
Other Expenditures (Identify)	0	0	0	0	0	0
TOTAL EXPENDITURES	\$ 46,442	\$ 2,308,256	\$ 2,369,606	\$ 2,675,871	\$ 2,747,901	\$ 2,860,263
BUDGET SURPLUS/(DEFICIT)	\$ 48,298	\$ (83,286)	\$ 254,453	\$ 333,067	\$ 292,116	\$ 257,937
OTHER FINANCING SOURCES/(USES)						
Interfund Transfers						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers Out	0	0	0	0	0	0
Sources						
CDE Revolving Loan	0	250,000	0	0	0	0
Other Revolving Loan (Identify)	0	0	0	0	0	0
Other Revolving Loan (Identify)	0	0	0	0	0	0
Total Sources	0	250,000	0	0	0	0
Uses						
CDE Revolving Loan Payments	0	0	66,750	65,688	64,625	63,563
Total Uses	0	0	66,750	65,688	64,625	63,563
TOTAL OTHER FINANCING SOURCES/(USES)	\$ 0	\$ 250,000	\$ (66,750)	\$ (65,688)	\$ (64,625)	\$ (63,563)
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 48,298	\$ 166,714	\$ 187,703	\$ 267,380	\$ 227,491	\$ 194,375
FUND BALANCE, RESERVES						
Beginning Fund Balance	\$ 0	\$ 47,137	\$ 156,144	\$ 284,607	\$ 485,090	\$ 643,884
As of July 1, Unaudited	0	0	0	0	0	0
Plus/(Minus) Audit Adjustments	0	47,137	156,144	284,607	485,090	643,884
As of July 1, Audited	0	0	0	0	0	0
Other Restatements	0	0	0	0	0	0
Net Beginning Balance	0	47,137	156,144	284,607	485,090	643,884
Ending Fund Balance, June 30	\$ 48,298	\$ 213,850	\$ 343,847	\$ 551,987	\$ 712,581	\$ 838,258

Discovery Charter School

Multi-Year Budget Summary

Budget Item	Ordinal Year	Year I	Year II	Year III	Year IV	Year V
	Fiscal Year	2006-07	2007-08	2008-09	2009-10	2010-11
	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget
COMPONENTS FOR ENDING FUND BALANCE						
Miscellaneous Components	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Reserve for Revolving Cash	0	0	0	0	0	0
Prepaid Expenditures	0	0	0	0	0	0
All Others	0	0	0	0	0	0
General Reserve	0	0	0	0	0	0
Legally Restricted Balance	0	0	0	0	0	0
Designated Amounts	1,161	57,706	59,240	66,897	68,698	71,507
Designated for Economic Uncertainties	0	0	0	0	0	0
Other Designations	47,137	156,144	284,607	485,090	643,884	766,752
Undesignated/Unappropriated Amount						
Total Components for Ending Fund Balance	\$ 48,298	\$ 213,850	\$ 343,847	\$ 551,987	\$ 712,581	\$ 838,258

Discovery Charter School

**Expenditures Worksheet -
Certificated Compensation**

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget
Certificated Salaries							
Certificated Teacher Salaries							
Teachers - Regular Program		\$ 0	\$ 943,008	\$ 1,099,076	\$ 1,266,380	\$ 1,314,502	\$ 1,364,453
Other Teacher Salaries		0	0	0	0	0	0
Teachers - Elective		0	0	0	0	0	0
Teachers - Special Education		0	0	0	0	0	0
Teachers - Other (Identify)		0	0	0	0	0	0
Substitute Teacher Costs		0	20,680	24,103	27,771	28,827	29,922
Sick Days		0	0	0	0	0	0
Cost of Extra Duty Hours for Teachers		0	0	0	0	0	0
Cost of Extra Duty Hours for Teachers		0	0	0	0	0	0
Total Certificated Teacher Salaries		\$ 0	\$ 963,688	\$ 1,123,178	\$ 1,294,151	\$ 1,343,329	\$ 1,394,375
Other Certificated Employees Salary Costs							
Central Administration Salary Costs		\$ 21,944	\$ 90,759	\$ 94,027	\$ 97,506	\$ 101,211	\$ 105,057
Executive Director		0	0	0	0	0	0
Other (Identify)		0	0	0	0	0	0
Subtotal		\$ 21,944	\$ 90,759	\$ 94,027	\$ 97,506	\$ 101,211	\$ 105,057
TOTAL CERTIFICATED SALARIES		\$ 21,944	\$ 1,054,447	\$ 1,217,205	\$ 1,391,657	\$ 1,444,540	\$ 1,499,432

Discovery Charter School

**Expenditures Worksheet -
Classified Compensation**

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget
Classified Salary Costs							
Non-Certificated Instructional Salary Cost		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Classified Teacher		0	0	0	0	0	0
Instructional Aide		0	0	0	0	0	0
Other (Identify)		0	0	0	0	0	0
Subtotal		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Administrator Salary Costs		\$ 0	\$ 51,700	\$ 53,561	\$ 55,543	\$ 57,654	\$ 59,844
Business Administrator		0	0	0	0	0	0
Other (Identify)		0	51,700	53,561	55,543	57,654	59,844
Subtotal		\$ 0	\$ 51,700	\$ 53,561	\$ 55,543	\$ 57,654	\$ 59,844
Clerical & Other Office Employee Wages		8,400	34,742	35,993	37,325	38,743	40,215
Office Assistant		0	0	0	0	0	0
Other (Identify)		8,400	34,742	35,993	37,325	38,743	40,215
Subtotal		8,400	34,742	35,993	37,325	38,743	40,215
Other Classified Employee Wages		\$ 0	\$ 21,636	\$ 22,415	\$ 23,245	\$ 24,128	\$ 25,045
Custodian		0	0	0	0	0	0
Other (Identify)		0	21,636	22,415	23,245	24,128	25,045
Subtotal		\$ 0	\$ 21,636	\$ 22,415	\$ 23,245	\$ 24,128	\$ 25,045
Non-Certificated Instructional Employees		\$ 0	\$ 12,656	\$ 13,112	\$ 13,597	\$ 14,114	\$ 14,650
English Learner Aide		0	0	0	0	0	0
Hourly Instructional Aide		0	12,656	13,112	13,597	14,114	14,650
Media Specialist		0	0	0	0	0	0
Other (Identify)		0	0	0	0	0	0
Subtotal		\$ 0	\$ 12,656	\$ 13,112	\$ 13,597	\$ 14,114	\$ 14,650
TOTAL ALL CLASSIFIED SALARIES AND WAGES		\$ 8,400	\$ 133,391	\$ 138,193	\$ 143,306	\$ 148,752	\$ 154,405
TOTAL ALL SALARIES AND WAGES		\$ 30,344	\$ 1,187,839	\$ 1,355,398	\$ 1,534,963	\$ 1,593,292	\$ 1,653,837

Discovery Charter School

**Expenditures Worksheet -
Employee Benefits**

Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget
Retirement Options						
State Teachers Retirement	\$ 1,810	\$ 86,992	\$ 100,419	\$ 114,812	\$ 119,175	\$ 123,703
Other Certificated Retirement	0	0	0	0	0	0
Public Employees Retirement 3201-3202	0	0	0	0	0	0
Social Security (classified and hourly only)	521	8,270	8,568	8,885	9,223	9,573
Alternative Retirement Plan	0	0	0	0	0	0
Other Classified Retirement	0	0	0	0	0	0
Total Retirement Costs	\$ 2,331	\$ 95,262	\$ 108,987	\$ 123,697	\$ 128,397	\$ 133,276
Other Mandatory Benefits						
Medicare	440	17,224	19,653	22,257	23,103	23,981
State Unemployment (SEF)	197	7,721	8,810	9,977	10,356	10,750
Worker's Compensation (WC)	910	35,635	40,662	46,049	47,799	49,615
Total Mandatory Benefit Costs	\$ 1,548	\$ 60,580	\$ 69,125	\$ 78,283	\$ 81,258	\$ 84,346
Health Benefits						
Combined Health/Dental/Vision	\$ 4,000	\$ 166,240	\$ 193,836	\$ 224,145	\$ 237,593	\$ 251,849
Other (Identify)	0	0	0	0	0	0
Total Health Benefit Costs	\$ 4,000	\$ 166,240	\$ 193,836	\$ 224,145	\$ 237,593	\$ 251,849
Total Benefit Costs	\$ 7,879	\$ 322,082	\$ 371,949	\$ 426,125	\$ 447,248	\$ 469,471

Discovery Charter School

Expenditures Worksheet - Books and Supplies

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget
Approved Textbooks and Core Curricula							
New Textbooks (students)		\$ 0	\$ 70,000	\$ 10,260	\$ 10,537	\$ 9,749	\$ 20,044
Replacement Textbooks (students)		0	0	3,591	8,430	0	0
Textbooks (teachers)		0	0	0	0	0	0
Other (Identify)		0	52,500	7,695	7,903	0	0
Books and Other Reference Materials		0	34,850	6,873	7,783	6,917	7,111
Materials and Supplies		0	0	0	0	0	0
Custodial Supplies		0	8,750	10,260	11,854	12,186	12,527
Instructional/office supplies		0	26,250	30,780	35,562	36,558	37,582
Postage and Shipping		0	3,500	4,104	4,742	4,874	5,011
Printing & Reproduction (academic)		0	1,750	2,052	2,371	2,437	2,505
Other (Identify)		0	0	0	0	0	0
Non-Capitalized Equipment		0	0	0	0	0	0
Food		0	0	0	0	0	0
Total Books & Supplies		\$ 0	\$ 197,600	\$ 75,615	\$ 89,161	\$ 72,722	\$ 84,780

Discovery Charter School

Expenditures Worksheet - Services and Operational Expenses

Budget Item	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget
Personal Services of Instructional						
Consultants, Lecturers & Others	\$ 0	\$ 29,376	\$ 33,907	\$ 38,692	\$ 39,775	\$ 40,889
Travel and Conference	0	4,500	5,130	5,795	5,958	6,124
Dues and Memberships	0	2,000	2,052	2,107	2,166	2,227
Insurance	0	14,000	16,416	18,967	19,498	20,044
Operation and Housekeeping Services						
Custodial Services	0	21,600	22,162	22,760	23,397	24,052
Security Services	0	1,720	739	759	780	802
Fingerprinting	150	15,309	2,206	2,266	2,218	2,281
Grounds and Landscaping, and Other						
Facilities Costs	0	18,719	19,205	19,724	20,276	20,844
Rentals, Leases, Repairs and						
Noncapitalized Improvements	0	25,200	25,855	26,553	27,297	28,061
Equipment (lease/rental)	0	500	513	527	542	557
Equipment (repairs)	0	0	0	0	0	0
Noncapitalized Improvements						
District Facilities Oversight Fee (2% in	0	37,437	44,856	51,997	53,401	54,843
Lieu of Pro Rata Share of Facilities Costs	1,200	400	0	0	0	0
Property (lease/rental)	0	6,000	6,156	6,322	6,499	6,681
Property (repairs)	0	0	0	0	0	0
Other (Identify)	0	0	0	0	0	0
Professional/Consulting Services and						
Operational Expenses						
Advertising	4,800	4,800	4,800	2,640	2,760	2,880
Audit Services	0	6,000	6,156	6,322	6,499	6,681
Business Consulting Services	0	0	0	0	0	0
Business Office Services	360	46,000	36,936	37,933	38,995	40,087
Contract Oversight Payment	0	18,719	22,428	25,999	26,701	27,422
Legal Services	0	5,000	5,130	5,269	5,416	5,568
Printing and Reproduction						
(nonacademic, included in academic)	0	0	0	0	0	0
Special Education Enrichment	0	201,600	235,930	272,322	279,674	287,505
Staff Training & Development	0	6,000	6,926	7,903	8,124	8,352
Student Attendance & Accounting						
Service	0	0	0	0	0	0
Student Testing & Assessment	0	0	0	0	0	0
Computer Network Installation	0	12,600	1,231	1,264	0	0
Computer Network Maintenance	0	1,200	1,231	1,264	1,300	1,336
Utilities						
Electricity	0	31,092	31,900	32,762	33,679	34,622
Gas	0	6,164	6,324	6,495	6,677	6,863
Propane	0	0	0	0	0	0
Trash	0	4,915	5,043	5,179	5,324	5,473
Water	0	4,915	5,043	5,179	5,324	5,473
Communications						
Internet	120	2,472	2,536	2,605	2,678	2,753
Telephone	90	2,472	2,536	2,605	2,678	2,753
Total Services & Operational Expenses	\$ 6,720	\$ 530,709	\$ 553,348	\$ 612,209	\$ 627,636	\$ 645,173

Discovery Charter School

Expenditures Worksheet - Capital Costs

Budget Item	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget
Furniture, Fixtures & Equipment						
Computer Systems (student)	\$ 0	\$ 19,650	\$ 1,800	\$ 1,800	\$ 0	\$ 0
Computer Systems (teacher)	0	8,183	1,026	1,029	0	0
Computer Systems (other staff)	900	900	0	0	0	0
Computer Networking Equipment	0	9,500	0	0	0	0
School Equipment (student)	0	0	0	0	0	0
School Equipment (teacher)	0	27,034	3,467	3,561	0	0
School Equipment (other staff)	0	1,590	0	0	0	0
School Equipment (other miscellaneous)	600	3,170	0	0	0	0
Furniture, Fixtures & Equipment Replacement	0	0	7,003	7,003	7,003	7,003
Depreciation Expense	0	0	0	0	0	0
Total Capital Costs	\$ 1,500	\$ 70,027	\$ 13,296	\$ 13,393	\$ 7,003	\$ 7,003

Discovery Charter School

Key Variables Worksheet - Financial Factors

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget	Comments
Financial Projection Factors								
Statutory COLA		4.23%	3.80%	2.80%	2.70%	2.70%	2.70%	CCSA, Alice Miller 9/1/05
Categorical COLA		4.23%	3.80%	2.80%	2.70%	2.70%	2.70%	Vogel & Associates
Transportation COLA		4.00%	3.90%	2.60%	2.60%	2.60%	2.60%	Vogel & Associates
California CPI		2.80%	2.40%	2.60%	2.70%	2.80%	2.80%	Vogel & Associates
Federal Consumer Price Index		1.70%	2.00%	2.20%	2.20%	2.20%	2.20%	Vogel & Associates
GDP Price Index		1.10%	1.50%	1.80%	1.90%	1.90%	1.90%	Vogel & Associates
Employment Cost Index		2.50%	2.70%	3.20%	3.40%	3.40%	3.40%	Vogel & Associates
Unemployment Rate		5.30%	5.00%	5.10%	5.20%	5.20%	5.20%	Vogel & Associates
Three-Month Treasury Bill Rate		3.00%	4.00%	4.60%	4.60%	4.60%	4.60%	Vogel & Associates
Ten-Year Treasury Note Rate		4.70%	5.30%	5.60%	5.80%	6.00%	6.00%	Vogel & Associates
Local Cost of Living Allowance		3.70%	2.80%	2.40%	2.60%	2.70%	2.80%	Vogel & Associates
Interest on School Funds (APR)		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Interest on CDE Revolving Loan		1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	CDE

Discovery Charter School

Key Variables Worksheet – State Funding Data

Budget Item	Original Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget	Comments
Charter School General Purpose Block Grant Allocations								
Grades K-3		\$ 4,950	\$ 5,138	\$ 5,282	\$ 5,425	\$ 5,571	\$ 5,721	Annual revenue per P-2 ADA
Grades 4-6		5,024	5,215	5,361	5,506	5,654	5,807	Annual revenue per P-2 ADA
Grades 7-8		5,168	5,364	5,515	5,663	5,816	5,973	Annual revenue per P-2 ADA
Charter School Categorical Block Grant Allocations								
Grades K-3		\$ 287	\$ 400	\$ 500	\$ 514	\$ 527	\$ 542	Annual revenue per P-2 ADA
Grades 4-6		287	400	500	514	527	542	Annual revenue per P-2 ADA
Grades 7-8		287	400	500	514	527	542	Annual revenue per P-2 ADA
California Lottery								Note: Lottery Funding is not tied to the Statutory COLA
Lottery Exceeded Absence Factor		\$ 29	\$ 29	\$ 29	\$ 29	\$ 29	\$ 29	CDE for 2003-04
Restricted Funds - Prop 20: Instructional Materials		125	125	125	125	125	125	CDE est for \$28 (2005-06)
Unrestricted Funds - Non-Prop 20								CDE est for \$125 (2005-06)
CA Primary (K-3) Class Size Reduction								
Full Day Program		967	1,004	1,032	1,060	1,088	1,118	Annual revenue per pupil in program, grades K-3
Half Day Program (N/A)		479	497	511	525	539	554	Annual revenue per pupil in program, grades K-3
In Lieu Funding Economic Impact Aid								
Per Eligible Student (LEP + Meal Subsidy)		113	120	120	123	127	130	Annual revenue per eligible pupil enrolled
(a) minimum grant amount, 1-9 students		5,216	5,414	5,566	5,716	5,870	6,029	For schools with fewer than 10 qualifying pupils
(b) minimum grant, 10 or more students		7,829	8,127	8,354	8,580	8,811	9,049	For schools with 10 or more qualifying pupils
Summer and Hourly Programs								
Grades 2-6 who are deficient in math, read		1,61	1,67	1,72	1,76	1,81	1,85	Hourly revenue per pupil enrolled in program
Grades 2-9 who have been retained or who		3,67	3,81	3,92	4,02	4,13	4,24	Hourly revenue per pupil enrolled in program
Grades 7-12 at risk of failing High School Exit Exam		0	0	0	0	0	0	Hourly revenue per pupil enrolled in program
Grades 7-8 Algebra Program		3,67	3,81	3,92	4,02	4,13	4,24	Hourly revenue per pupil enrolled in program
Grades K-12 Core Subject Area Supplement		3,67	3,81	3,92	4,02	4,13	4,24	Hourly revenue per pupil enrolled in program
Other State Programs								
K-8 Appointments		0	0	0	0	0	0	
9-12 Appointments		0	0	0	0	0	0	
STAR 2005 CST-CAT/6 Survey Appointments		2,52	2,62	2,76	2,84	2,91	3	Annual revenue per grade 2-11 student tested
SABE/2 appointments (English Learner Testing)		2,44	2,53	2,60	2,67	2,75	2,82	Annual revenue per grade 2-11 student tested
Number of students in grades 2-8		0	250	300	350	350	350	

Discovery Charter School

State Funding Data

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year 2 2007-08 Projected Budget	Year 3 2008-09 Projected Budget	Year 4 2009-10 Projected Budget	Year 5 2010-11 Projected Budget
Charter School General Purpose Block							
Grant Allocations							
Grades K-3		\$ 0	\$ 986,515	\$ 1,014,138	\$ 1,041,519	\$ 1,069,640	\$ 1,098,521
Grades 4-6		0	750,947	771,974	792,817	814,223	836,207
Grades 7-8		0	0	264,700	543,694	558,374	573,450
Grades 9-12		0	0	0	0	0	0
Total General Purpose Block Grant		\$ 0	\$ 1,737,463	\$ 2,050,812	\$ 2,378,031	\$ 2,442,237	\$ 2,508,178
Charter School Categorical Block Grant							
Allocations							
Grades K-3		\$ 0	\$ 76,800	\$ 96,000	\$ 98,592	\$ 101,254	\$ 103,988
Grades 4-6		0	57,600	72,000	73,944	75,940	77,991
Grades 7-8		0	0	24,000	49,296	50,627	51,994
Grades 9-12		0	0	0	0	0	0
Total Categorical Block Grant Allocations		\$ 0	\$ 134,400	\$ 192,000	\$ 221,832	\$ 227,821	\$ 233,973
Total Combined Block Grant Allocations		\$ 0	\$ 1,871,863	\$ 2,242,812	\$ 2,599,863	\$ 2,670,059	\$ 2,742,151
California Lottery							
Restricted Funds - Prop 20: Instructional		\$ 0	\$ 10,177	\$ 11,631	\$ 13,085	\$ 13,085	\$ 13,085
Unrestricted Funds - Non-Prop 20		0	43,867	50,134	56,401	56,401	56,401
CA Primary (K-3) Class Size Reduction		0	192,719	198,115	203,464	208,958	214,600
Full Day Program		0	8,127	9,216	10,648	10,935	11,231
In Lieu Funding Economic Impact Aid		0	67	77	86	86	86
Eligible students (LEP + Meal Subsidy)		0	8,064	9,216	10,648	10,935	11,231
Per Eligible Student (LEP + Meal Subsidy) per ADA		0	0	0	0	0	0
Grant (based on number of students)		0	8,127	8,354	8,580	8,811	9,049
Minimum grant amount, 1-9 students		0	0	0	0	0	0
Minimum grant, 10 or more students		0	0	0	0	0	0
Summer and Hourly Programs		0	654	807	967	993	1,019
Other State Programs		0	63	78	94	96	99
STAR 2005 CST-CAT/6 Survey		0	0	0	0	0	0
Appointment		0	0	0	0	0	0
SABE/2 apportionment (English Learner Testing)		0	0	0	0	0	0
Other (Identify)		0	0	0	0	0	0

Discovery Charter School

Key Variables Worksheet – Federal Funding Data

Budget Item	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
Federal Consumer Price Index Used	1.70%	2.00%	2.20%	2.20%	2.20%	2.20%	Vogel & Associates
GDP Price Index Used	1.10%	1.50%	1.80%	1.90%	1.90%	1.90%	Vogel & Associates
Employment Cost Index Used	2.50%	2.70%	3.20%	3.40%	3.40%	3.40%	Vogel & Associates
Unemployment Rate	5.30%	5.00%	5.10%	5.20%	5.20%	5.20%	Vogel & Associates
Three-Month Treasury Bill Rate	3.00%	4.00%	4.60%	4.60%	4.60%	4.60%	Vogel & Associates
Ten-Year Treasury Note Rate	4.70%	5.30%	5.60%	5.60%	6.00%	6.00%	Vogel & Associates

Discovery Charter School

Key Variables Worksheet – Local Funding Data

Budget Item	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
Local Revenue Variables							
Local Cost of Living Allowances Used	3.70%	2.80%	2.40%	2.60%	2.70%	2.80%	
Donations							
General Donations	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	Annual estimate
Pledge Drive	87,500	87,500	100,000	112,500	67,500	67,500	Annual estimate
Pledge Drive per Student	250	250	250	250	150	150	Annual average per student
Number of Students	350	350	400	450	450	450	
Corporate Matching Programs	2,000	10,000	10,000	10,260	10,537	10,832	Annual estimate
Total Donations	\$ 94,500	\$ 97,500	\$ 110,000	\$ 122,760	\$ 78,037	\$ 78,332	
Interest							
Yield Rate (APR)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Average Balance	\$ 24,029	\$ 0	\$ 126,594	\$ 165,705	\$ 145,331	\$ 128,327	Assume average of current and previous year
Annual Interest Income	240	0	1,266	1,657	1,453	1,283	surplus/deficit
Other Local Programs							

Discovery Charter School

Key Variables Worksheet – Books & Supplies

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
Approved Textbooks and Core Curricula Materials								
New Textbooks (students)		\$ 0	\$ 70,000	\$ 10,260	\$ 10,537	\$ 0	\$ 0	Annual amount for additional students (to account for new classes added)
New Textbooks (student) per new classroom seat		0	200	205	211	217	223	Per new classroom seat
Replacement Textbooks (students)		0	0	3,591	8,430	9,749	20,044	Estimated annual replacement
Replacement Textbooks (students) per returning student		0	0	20.52	21.07	21.66	22.27	Estimated annual replacement
Textbooks (teachers)		0	0	0	0	0	0	
Textbooks (teachers) per new teacher		0	0	0	0	0	0	Annual amount per new teacher
Instructional Materials (Manipulatives)		0	52,500	7,695	7,903	0	0	
Instructional Materials (Manipulatives) per new classroom seat		0	150	154	158	162	167	Per new classroom seat
Replacement Instructional Materials		0	0	0	0	14,623	15,033	
Replacement Instructional Materials per returning student		0	0	0	0	32	33	
Total Approved Textbooks and Core Curricula Materials		\$ 0	\$ 122,500	\$ 21,546	\$ 26,869	\$ 24,372	\$ 35,076	
Books and Other Reference Materials								
Library Books		\$ 0	\$ 26,250	\$ 4,000	\$ 4,622	\$ 4,751	\$ 4,884	
Library Books per student		0	75.00	10.00	10.27	10.56	10.85	Annual amount per student
Classroom Books		0	7,000	1,026	1,054	0	0	
Classroom Books per new classroom seat		0	20.00	20.52	21.07	21.66	22.27	Per new classroom seat
Other Books (teachers)		0	1,600	1,847	2,107	2,166	2,227	Annual amount per teacher
Other Books (teachers) per teacher		0	100	103	105	108	111	
Total Books and Other Reference Materials		\$ 0	\$ 34,850	\$ 6,873	\$ 7,783	\$ 6,917	\$ 7,111	
Materials and Supplies								
Custodial Supplies		\$ 0	\$ 8,750	\$ 10,260	\$ 11,854	\$ 12,186	\$ 12,527	
Custodial Supplies per student		0	25.00	25.65	26.34	27.08	27.84	Annual amount per student
Instructional supplies (students)		0	26,250	30,780	35,562	36,558	37,582	
Instructional/office supplies per student		0	75.00	76.95	79.03	81.24	83.52	Annual amount per student
Postage and Shipping		0	3,500	4,104	4,742	4,874	5,011	
Postage and Shipping per student		0	10.00	10.26	10.54	10.83	11.14	Annual amount per student
Printing & Reproduction (academic) Total		0	1,750	2,052	2,371	2,437	2,505	
Printing & Reproduction per student (paper)		0	5.00	5.13	5.27	5.42	5.57	Annual amount per student (other costs included in copier lease)
Other (Identify) Total		0	0	0	0	0	0	
Other (Identify) per student		0	0	0	0	0	0	
Total Materials and Supplies		\$ 0	\$ 40,250	\$ 47,196	\$ 54,529	\$ 56,056	\$ 57,625	
Non-Capitalized Equipment		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Food		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	Food service to be contracted
Total Books & Supplies		\$ 0	\$ 197,600	\$ 75,615	\$ 89,181	\$ 87,345	\$ 99,813	

Discovery Charter School

Key Variables Worksheet – Personal Services and Operating Costs

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
Personal Services of Instructional Consultants, Lecturers & Others								
Personal Services (hrs/class/week)								
Art Instruction		0.0						
Music Instruction		0.0	1.0	1.0	1.0	1.0	1.0	
PE Instruction		0.0	2.0	2.0	2.0	2.0	2.0	
Personal Services (hrs/day)								
Art Instruction		0.0						
Music Instruction		0.0	3.2	3.6	4.0	4.0	4.0	
PE Instruction		0.0	6.4	7.2	8.0	8.0	8.0	
Personal Services (hourly rate)								
Art Instruction		\$ 0.00	\$ 17.00	\$ 17.44	\$ 17.91	\$ 18.41	\$ 18.93	Tied to CPI
Music Instruction		0	17.00	17.44	17.91	18.41	18.93	Tied to CPI
PE Instruction		0	17.00	17.44	17.91	18.41	18.93	Tied to CPI
Personal Services Costs								
Art Instruction		0	0	0	0	0	0	Estimated annual expense (180 days/yr)
Music Instruction		0	9,792	11,302	12,897	13,258	13,630	Estimated annual expense (180 days/yr)
PE Instruction		0	19,584	22,605	25,795	26,517	27,259	Estimated annual expense (180 days/yr)
Total Personal Services Costs		\$ 0	\$ 29,376	\$ 33,907	\$ 38,692	\$ 39,775	\$ 40,889	
Travel and Conference								
Combined Estimate		0	4,500	5,130	5,795	5,958	6,124	Estimated annual cost
Other: Combined Estimate per person		0	250	257	263	271	278	Estimated annual cost per person for teachers, business administrator, and executive director
Total Travel and Conference		\$ 0	\$ 4,500	\$ 5,130	\$ 5,795	\$ 5,958	\$ 6,124	
Dues and Memberships								
Insurance		0	2,000	2,052	2,107	2,166	2,227	Estimated annual cost
Combined Estimate (property (contents), school board, general liability, auto, crime, employee dishonesty, excess liability up to \$15M)		0	14,000	16,416	18,967	19,498	20,044	Estimated annual cost
Combined Estimate per student		0	40	41	42	43	45	Estimated annual cost per pupil
Operation and Housekeeping Services								
Custodial Services		0	21,600	22,162	22,760	23,397	24,052	Estimated annual expense
Custodial Services per month		0	2,160	2,216	2,276	2,340	2,405	Estimated monthly expense (10 months per year)
Security Services		0	1,720	739	759	780	802	Estimated annual expense
Installation		0	1,000	0	0	0	0	Estimated installation fee
Service		0	720	739	759	780	802	Estimated monthly expense
Service (monthly)		0	60	62	63	65	67	Estimated monthly expense
Fingerprinting		\$ 150	\$ 15,309	\$ 2,206	\$ 2,266	\$ 2,218	\$ 2,281	Assume 80% of new students to allow for families with siblings and participation by two parents for some families (after Year 1, number of K's)
Cost per Person		\$ 50.00	\$ 51.20	\$ 52.53	\$ 53.95	\$ 55.46	\$ 57.01	Estimated annual expense (1% of block grant revenues)
New Staff		3	19	2	2	0	0	Estimated annual expense
New Volunteers		0	260	40	40	40	40	Estimated monthly expense
Grounds and Landscaping, and Other Facilities Costs		0	18,719	19,205	19,724	20,276	20,844	Estimated monthly expense, 4 copiers and service (includes toner and assumes 25,000 copies per month)
Rentals, Leases, Repairs and Noncapitalized Improvements		0	25,200	25,855	26,553	27,297	28,061	Estimated annual expense
Equipment (lease/rental)		0	2,100	2,155	2,213	2,275	2,338	Estimated monthly expense
Leased copiers (lease/rental) per month		0	500	513	527	542	557	Estimated annual expense
Equipment (repairs)		0	0	0	0	0	0	Estimated monthly expense
Noncapitalized Improvements		0	0	0	0	0	0	Estimated monthly expense

Discovery Charter School

Key Variables Worksheet – Personal Services and Operating Costs (continued)

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
Property (lease/rental)								
Temporary Office		1,200	400	0	0	0	0	
Temporary Office per month		400	400	0	0	0	0	
Months in Temporary Office		3	1	0	0	0	0	
School Facilities		0	0	0	0	0	0	Estimated monthly payment
District Facilities Oversight Fee (2%) in Lieu of Pro Rata Share of Facilities Costs		0	37,437	44,856	51,997	53,401	54,843	Annual payment
Non-District Facilities		0	0	0	0	0	0	
Non-District Facilities per month		0	0	0	0	0	0	
Number of Students in Facilities		0	0	0	0	0	0	
Maximum District Cost per Square Foot		0	350	400	450	450	450	
Cost per Square Foot		0	1.45	1.45	1.45	1.45	1.45	Estimated annual cost, assume multi-year lease
Number of Classrooms		0	16	18	20	20	20	(square feet)
Average classroom size		0	950	950	950	950	950	(square feet)
Additional non-instructional area (offices, bathrooms, eating areas, etc.)		0	2,500	2,500	2,500	2,500	2,500	(square feet)
Property (lease/rental) Total		1,200	17,700	19,600	21,500	21,500	21,500	
Property Maintenance and Repairs		0	400	0	0	0	0	Estimated annual expense
Property Maintenance and Repairs per month		0	6,000	6,156	6,322	6,499	6,681	Estimated annual expense
Other (Identify)		0	500	513	527	542	557	Estimated monthly expense
Other (Identify)		0	0	0	0	0	0	Estimated annual expense
Other (Identify)		0	0	0	0	0	0	Estimated monthly expense
Professional/Consulting Services & Operating Expenses								
Advertising		\$ 4,800	\$ 4,800	\$ 4,800	\$ 2,640	\$ 2,760	\$ 2,880	Estimated annual expense
Advertising per month		400	400	400	220	230	240	Estimated monthly expense
Audit Services		0	6,000	6,156	6,322	6,499	6,681	Estimated annual expense
Business Consulting Services		0	0	0	0	0	0	Estimated annual expense
Business Office Services (total)		360	46,000	36,936	37,933	38,995	40,087	Estimated annual expense
Business Office Services-Setup		0	10,000	0	0	0	0	\$10,000 startup
Business Office Services-Monthly		120	3,000	3,078	3,161	3,250	3,341	Estimated monthly expense
District Oversight Payment (1%)		0	18,719	22,428	25,999	26,701	27,422	Annual fee
District Oversight Fee Rate		0%	1.0%	1.0%	1.0%	1.0%	1.0%	Percentage of annual state grant revenue for oversight services
Legal Services		0	5,000	5,130	5,269	5,416	5,568	Estimated annual expense, does not include pro bono services
Printing and Reproduction (nonacademic)		0	0	0	0	0	0	Estimated annual cost (paper included in academic printing & reproduction, other costs included in copier lease)
Printing and Reproduction (nonacademic) per month		0	0	0	0	0	0	Estimated annual cost per month
Special Education Enrichment		0	201,600	235,930	272,322	279,674	287,505	Estimated additional annual expense
Special Education Enrichment per ADA		0	600	614	630	647	666	Estimated additional annual expense per ADA, MSD estimate
Staff Training & Development		0	6,000	6,926	7,903	8,124	8,352	Estimated additional annual expense
Staff Training & Development per FTE		0	375	385	395	406	418	Estimated additional annual expense per FTE
Student Attendance & Accounting Service		0	0	0	0	0	0	Estimated annual cost
Student Attendance & Accounting Service per student		0	0	0	0	0	0	Estimated annual cost per pupil, included in office services
Student Testing & Assessment		0	0	0	0	0	0	Estimated annual cost
Student Testing & Assessment per Student		0	0	0	0	0	0	Estimated annual cost per pupil
Computer Network Installation		0	12,600	1,231	1,264	0	0	Estimated annual cost
Computer Network Installation (per station)		0	200	205	211	217	223	Estimated annual cost
Number of New Computer Stations		0	63	6	6	0	0	
Computer Network Maintenance		0	1,200	1,231	1,264	1,300	1,336	Estimated annual cost
Computer Network Maintenance (per month)		0	100	103	105	108	111	

Discovery Charter School

Key Variables Worksheet -- Personal Services and Operating Costs (continued)

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year 1 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
Utilities								
Electricity		0	31,092	31,900	32,762	33,679	34,622	Estimated annual expense
Electricity per month		30	2,591	2,658	2,730	2,807	2,885	Estimated monthly expense
Gas		0	6,164	6,324	6,495	6,677	6,863	Estimated annual expense
Gas per month		502	514	527	541	556	572	Estimated monthly expense
Trash		0	4,915	5,043	5,179	5,324	5,473	Estimated annual expense
Trash per month		400	410	420	432	444	456	Estimated monthly expense
Water		0	4,915	5,043	5,179	5,324	5,473	Estimated annual expense
Water per month		400	410	420	432	444	456	Estimated monthly expense
Communications								
Internet		120	2,472	2,536	2,605	2,678	2,753	Estimated annual expense
Internet per month		40	206	211	217	223	229	Estimated monthly expense
Telephone		90	2,472	2,536	2,605	2,678	2,753	Estimated annual expense
Telephone per month		30	206	211	217	223	229	Estimated monthly expense

Discovery Charter School

Key Variables Worksheet – Capital Costs

Budget Item	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
Sites	0	0	0	0	0	0	Estimated annual expense
Site Improvement	0	0	0	0	0	0	Estimated annual expense
Buildings	0	0	0	0	0	0	Estimated annual expense
Building Improvement	0	0	0	0	0	0	Estimated annual expense
Furniture, Fixtures & Equipment	0	0	0	0	0	0	Estimated annual expense
Computer Systems (student)	0	19,650	1,800	1,800	0	0	Estimated annual expense
Computer Systems (each)	450	450	450	450	450	450	Cost of a single student computer system, incl. Microsoft Office
Computer and software	450	450	450	450	450	450	No CPI because of declining technology costs
Computer Table	0	0	0	0	0	0	
Number of New Classrooms	0	16	2	2	0	0	
Computer Systems (student) per Classroom	2	2	2	2	2	2	Number of student systems projected per classroom
Number of Student Systems (classroom)	0	32	4	4	0	0	
Number of Student Systems (computer lab)	0	10	0	0	0	0	
Total Number of New Student Systems	0	42	4	4	0	0	
Computer lab software (e.g., KidWorks unlimited site license)	0	750	0	0	0	0	
Computer Systems (teacher)	0	8,183	1,026	1,029	0	0	
Computer Systems (each)	510	511	513	515	517	518	Cost of a single teacher computer system
Computer and software	450	450	450	450	450	450	No CPI because of declining technology costs
Printer	60	61	63	65	67	68	
Number of New Teachers	0	16	2	2	0	0	
Total Number of New Teacher Systems	0	16	2	2	0	0	
Computer Systems (other staff)	900	900	0	0	0	0	Year 0: for Business Admin and Office Assistant; Year 1: Media Specialist and English Language Teacher
Computer Systems for Staff (each)	450	450	450	450	450	450	
Number of New Staff	2	2	0	0	0	0	
Number of New Other Staff Systems	2	2	0	0	0	0	
Total Number of New Stations	3	60	6	6	0	0	
Computer Networking Equipment	0	9,500	0	0	0	0	Assumes E-rate
Computer Networking Equipment (switches)	0	7,000	0	0	0	0	
Computer Network Server	0	2,500	0	0	0	0	
School Equipment (students)	0	0	0	0	0	0	
School Equipment per new classroom seat	0	0	0	0	0	0	Donated or Prop 39
Student Desk/Table	0	0	0	0	0	0	Donated or Prop 39
Student Chair	0	0	0	0	0	0	Donated or Prop 39
Number of New Students	0	350	50	50	0	0	
School Equipment (teachers)	0	27,034	3,467	3,561	0	0	Per new classroom
School Equipment per New Teacher	1,650	1,690	1,734	1,780	1,830	1,881	
Bookshelves (per classroom)	100	102	105	108	111	114	
Chalkboard & Bulletin Boards (per classroom)	400	410	420	432	444	456	
Clocks & Bells	30	31	32	32	33	34	
Desks & Chairs (per FTE)	220	225	231	237	244	251	
Filing & Storage Cabinets (per FTE)	300	307	315	324	333	342	
Health & Safety Kits	80	82	84	86	89	91	
Overhead projector	120	123	126	129	133	137	
TV/WCR	400	410	420	432	444	456	
Number of New Teachers	0	16	2	2	0	0	

Discovery Charter School

**Key Variables Worksheet – Capital Costs
(continued)**

Budget Item	Ordinal Year Fiscal Year	Year 0 2005-06 Projected Budget	Year I 2006-07 Projected Budget	Year II 2007-08 Projected Budget	Year III 2008-09 Projected Budget	Year IV 2009-10 Projected Budget	Year V 2010-11 Projected Budget	Comments
School Equipment (other staff)		0	1,590	0	0	0	0	
School Equipment per New Non-Teaching Staff		0	530	544	558	574	590	
Desks & Chairs		0	230	236	242	249	256	Donated in Year 0
Filing & Storage Cabinets		0	300	308	316	325	334	Donated in Year 0
Number of New Non-Teaching Staff		2	3	0	0	0	0	
School Equipment (other miscellaneous)		600	3,170	0	0	0	0	
Fax & Telephones		100	400	0	0	0	0	
Food Storage Equipment/Misc		0	0	0	0	0	0	
Lobby Furniture		0	150	0	0	0	0	
Overhead Projector		0	120	0	0	0	0	
Laser Printers		500	2,000	0	0	0	0	4 laser printers to be shared by classrooms
TV/VCR w/moveable cart		0	500	0	0	0	0	
Furniture, Fixtures & Equipment		\$ 1,500	\$ 70,027	\$ 6,293	\$ 6,390	\$ 7,003	\$ 7,003	Assume 10% replacement per year
Equipment Replacement		0	0	7,003	7,003	7,003	7,003	

V. FIVE-YEAR CASH FLOW PROJECTIONS

Discovery Charter School Cash Flow Projections, 2005-2011

Year 0 -- 2005-06

Budget Item	2005-06													
	Beginning Cash	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Projected Budget														
State Income														
Charter School General Purpose Block Grant														
Allocation														
General Block Grant - State Aid														
General Block Grant - Property Taxes														
Prior Year Accrued General Block Grant -														
Property Taxes														
Charter School Categorical Block Grant														
Allocation														
California Lottery - Restricted Funds - Prop. 20														
Accrued Prior Year California Lottery -														
Restricted Funds - Prop. 20														
California Lottery - Unrestricted Funds - Non-														
Prop. 20														
Accrued Prior Year California Lottery -														
Unrestricted Funds - Non-Prop. 20														
CA Primary (K-3) Class Size Reduction														
Economic Impact Aid														
Summer and Hourly Programs														
Other State Programs														
CDE Charter School Startup Grant														
STAR 2005 CST-CAT1/6 Survey														
Appointment														
SABER2 appointment (English Learner														
Testing)														
Total State Programs														
Total Federal Programs														
Total State and Federal Funding														
Local Programs														
General Donations														
Pledge Drive														
Corporate Matching Programs														
Interest														
Total Local Programs														
TOTAL INCOME														
OPERATING EXPENSES														
Certified Salaries														
Classified Salaries														
Employee Benefits														
Books & Supplies														
Services & Operational Expenses (not incl.														
special ed encroachment)														
Special Education Encroachment														
Prior Year Accrued Special Education														
Encroachment														
Capital Outlay														
TOTAL OPERATING EXPENSES														
BUDGET SURPLUS/(DEFICIT)														
OTHER FINANCING SOURCES/USES														
GDE Revolving Loan														
GDE Revolving Loan Payments														
TOTAL OTHER FINANCING SOURCES/USES														
NET INCREASE/DECREASE IN FUND														
BALANCE														
Beginning Fund Balance														
Net Increase/(Decrease) in Fund Balance														
Ending Cash														
Designated for Economic Uncertainties														
YEAR 0 CASH BALANCE														

Discovery Charter School Cash Flow Projections, 2005-2011

Year 1 - 2006-07

Budget Item	2006-07												Accrued
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	
Beginning Cash	\$ 47,137	\$ 261,204	\$ 142,021	\$ 206,885	\$ 127,751	\$ 48,617	\$ 217,961	\$ 138,827	\$ 135,571	\$ 215,286	\$ 140,710	\$ 66,134	
INCOME													
State Programs													
Charter School General Purpose Block Grant													
Allocation	1,737,463												
General Block Grant - State Aid	86,873												
General Block Grant - Property Taxes	1,650,589												
Prior Year Accrued General Block Grant -													
Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Charter School Categorical Block Grant													
Allocation	134,400												
Accrued Prior Year California Lottery -	10,177												
Restricted Funds - Prop 20													
California Lottery - Unrestricted Funds - Non-													
Prop 20	41,867												
Accrued Prior Year California Lottery -													
Unrestricted Funds - Non-Prop 20													
CA Primary (K-3) Class Size Reduction	192,719												
Economic Impact Aid	8,127												
Summer and Hourly Programs													
Other State Programs													
CDE Charter School Startup Grant													
STAR 2005 CST-CA176 Survey													
Appointment	654												
SABEZ appointment (English Learner													
Testing)	63												
Total State Programs	\$ 2,127,470	\$ 99,035	\$ 276,045	\$ 132,047	\$ 132,047	\$ 380,525	\$ 132,047	\$ 164,175	\$ 247,147	\$ 131,605	\$ 131,605	\$ 131,605	\$ 169,586
Total Federal Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total State and Federal Funding	\$ 2,127,470	\$ 99,035	\$ 276,045	\$ 132,047	\$ 132,047	\$ 380,525	\$ 132,047	\$ 164,175	\$ 247,147	\$ 131,605	\$ 131,605	\$ 131,605	\$ 169,586
Local Programs													
Pledge Drive	87,500												
Corporate Matching Programs	10,000												
Interest	0												
Total Local Programs	\$ 97,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL INCOME	\$ 2,224,970	\$ 99,035	\$ 276,045	\$ 132,047	\$ 132,047	\$ 380,525	\$ 132,047	\$ 207,923	\$ 247,147	\$ 131,605	\$ 131,605	\$ 131,605	\$ 169,586
OPERATING EXPENSES													
Classified Salaries	1,054,447	10,544	103,336	103,336	103,336	103,336	103,336	103,336	103,336	103,336	103,336	103,336	103,336
Classified Salaries	153,391	1,334	13,072	13,072	13,072	13,072	13,072	13,072	13,072	13,072	13,072	13,072	13,072
Employee Benefits	322,082	3,221	31,564	31,564	31,564	31,564	31,564	31,564	31,564	31,564	31,564	31,564	31,564
Books & Supplies	157,600	0	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976	1,976
Services & Operational Expenses (not incl.													
special ed program)	329,109	16,455	29,620	29,620	29,620	29,620	29,620	29,620	29,620	29,620	29,620	29,620	29,620
Special Education Enrichment	201,600	0	20,160	20,160	20,160	20,160	20,160	20,160	20,160	20,160	20,160	20,160	20,160
Prior Year Accrued Special Education													
Enrichment	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Outlay	70,027	3,501	6,302	6,302	6,302	6,302	6,302	6,302	6,302	6,302	6,302	6,302	6,302
TOTAL OPERATING EXPENSES	\$ 2,208,256	\$ 31,016	\$ 212,898	\$ 206,030	\$ 206,030	\$ 206,030	\$ 206,030	\$ 206,030	\$ 206,030	\$ 206,030	\$ 206,030	\$ 206,030	\$ 206,030
BUDGET SURPLUS/(DEFICIT)	\$ (83,286)	\$ (35,056)	\$ (113,862)	\$ (73,983)	\$ (73,983)	\$ (73,983)	\$ (73,983)	\$ (73,983)	\$ (73,983)	\$ (73,983)	\$ (73,983)	\$ (73,983)	\$ (73,983)
OTHER FINANCING SOURCES/USES													
CDE Revolving Loan	\$ 250,000	\$ 250,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CDE Revolving Loan Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES/USES	\$ 250,000	\$ 250,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NET INCREASE/(DECREASE) IN FUND													
BALANCE	156,714	214,944	(113,861)	70,015	(73,983)	174,494	(73,983)	1,895	84,866	(69,425)	206,030	(69,425)	169,586
Beginning Fund Balance	47,137	47,137	261,204	142,021	127,751	48,617	217,961	138,827	135,571	215,286	140,710	66,134	66,134
Net Increase/(Decrease) in Fund Balance	109,577	167,807	(113,862)	70,015	(73,983)	125,877	(73,983)	1,895	49,295	(69,425)	140,320	(74,425)	103,452
Ending Cash	213,850	261,081	147,844	212,036	132,902	274,494	143,977	140,721	144,437	145,861	145,861	145,861	145,861
Debtmaturities for Economic Uncertainties	57,706	876	5,322	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151
YEAR 1 CASH BALANCE	\$ 156,714	\$ 261,204	\$ 142,021	\$ 206,885	\$ 127,751	\$ 48,617	\$ 217,961	\$ 138,827	\$ 135,571	\$ 215,286	\$ 140,710	\$ 66,134	\$ (13,442)

Discovery Charter School Cash Flow Projections, 2005-2011

Year II - 2007-08

Budget Item	2007-08												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ (13,442)	\$ 68,126	\$ 84,057	\$ 148,659	\$ 103,842	\$ 9,496	\$ 198,172	\$ 103,823	\$ 109,123	\$ 271,815	\$ 224,145	\$ 156,474	
INCOME													
State Programs													
Charter School General Purpose Block Grant Allocation	2,050,812												
General Block Grant - State Aid	\$ 102,541	\$ 0	\$ 30,506	\$ 136,379	\$ 136,379	\$ 21,534	\$ 136,379	\$ 16,834	\$ 8,417	\$ 8,417	\$ 8,417	\$ 8,417	\$ 159,921
General Block Grant - Property Taxes	1,948,271	0	102,284	0	0	136,379	0	136,379	319,841	159,921	159,921	159,921	0
Prior Year Accrued General Block Grant - Property Taxes	0	115,541	0	0	0	0	0	0	0	0	0	0	0
Charter School Collaborative Block Grant Allocation	192,000	0	57,120	0	0	40,320	0	31,520	15,760	15,760	15,760	15,760	2,908
Accrued Prior Year California Lottery - California Lottery - Restricted Funds - Prop 20	11,631	0	0	0	0	2,908	0	0	2,908	0	0	0	0
Restricted Funds - Prop 20	0	0	0	0	0	10,177	0	0	0	0	0	0	0
California Lottery - Unrestricted Funds - Non-Prop 20	50,134	0	0	0	0	12,534	0	0	12,534	0	0	12,534	12,534
Accrued Prior Year California Lottery - Unrestricted Funds - Non-Prop 20	0	0	0	0	0	43,867	0	0	0	0	0	0	0
CA Primary (K-3) Class Size Reduction	198,115	0	49,529	0	0	148,587	0	0	0	0	0	0	0
Economic Impact Aid	9,216	0	3,233	0	0	2,212	0	1,290	645	645	645	645	0
Summer and Hourly Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
Other State Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
CDE Charter School Startup Grant	0	0	0	0	0	0	0	0	0	0	0	0	0
STAR 2006 CST-CARIS Survey	807	0	0	0	0	807	0	0	0	0	0	0	0
Appointment	78	0	0	0	0	78	0	0	0	0	0	0	0
SAGEZ appointment (English Learner Testing)	0	0	0	0	0	0	0	0	0	0	0	0	0
Total State Programs	\$ 2,512,793	\$ 115,541	\$ 102,284	\$ 295,328	\$ 185,908	\$ 419,402	\$ 136,379	\$ 186,023	\$ 360,104	\$ 184,743	\$ 184,743	\$ 200,184	\$ 175,362
Total Federal Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total State and Federal Funding	\$ 2,512,793	\$ 115,541	\$ 102,284	\$ 295,328	\$ 185,908	\$ 419,402	\$ 136,379	\$ 186,023	\$ 360,104	\$ 184,743	\$ 184,743	\$ 200,184	\$ 175,362
Local Programs													
Pledge Drive	100,000	0	0	0	0	0	0	50,000	50,000	0	0	0	0
Corporate Matching Programs	19,000	0	0	0	0	0	0	0	0	5,000	5,000	0	
Interest	1,266	0	127	127	127	127	127	127	127	127	127	127	
Total Local Programs	\$ 121,266	\$ 0	\$ 127	\$ 127	\$ 127	\$ 127	\$ 127	\$ 50,127	\$ 50,127	\$ 5,127	\$ 5,127	\$ 127	
TOTAL INCOME	\$ 2,624,059	\$ 115,541	\$ 102,284	\$ 295,454	\$ 186,034	\$ 419,528	\$ 136,506	\$ 236,150	\$ 410,231	\$ 189,870	\$ 189,870	\$ 200,310	\$ 175,362
OPERATING EXPENSES													
Certified Salaries	\$ 1,217,205	\$ 12,172	\$ 12,172	\$ 119,286	\$ 119,286	\$ 119,286	\$ 119,286	\$ 119,286	\$ 119,286	\$ 119,286	\$ 119,286	\$ 119,286	\$ 119,286
Classified Salaries	1,382	1,382	1,382	13,543	13,543	13,543	13,543	13,543	13,543	13,543	13,543	13,543	13,543
Employee Benefits	371,849	3,719	3,719	36,451	36,451	36,451	36,451	36,451	36,451	36,451	36,451	36,451	36,451
Books & Supplies	75,615	0	37,807	3,781	3,781	3,781	3,781	3,781	3,781	3,781	3,781	3,781	3,781
Services & Contractual Expenses (not incl. Special ed encroachment)	317,418	15,871	28,568	28,568	28,568	28,568	28,568	28,568	28,568	28,568	28,568	28,568	28,568
Special Education Encroachment	235,930	0	23,593	23,593	23,593	23,593	23,593	23,593	23,593	23,593	23,593	23,593	23,593
Prior Year Accrued Special Education Encroachment	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Outlay	13,296	13,296	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	\$ 2,369,606	\$ 33,140	\$ 84,248	\$ 225,221	\$ 225,221	\$ 225,221	\$ 225,221	\$ 225,221	\$ 225,221	\$ 225,221	\$ 225,221	\$ 225,221	\$ 225,221
BUDGET SURPLUS/(DEFICIT)	\$ 254,453	\$ 82,397	\$ 18,037	\$ (39,187)	\$ (88,716)	\$ 194,307	\$ (88,716)	\$ 10,928	\$ 185,010	\$ (35,352)	\$ (35,352)	\$ (24,911)	\$ 175,362
OTHER FINANCING SOURCE/USES													
CDE Revolving Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
CDE Revolving Loan Payments	66,750	0	0	0	0	0	0	0	16,688	16,688	16,688	16,688	16,688
TOTAL OTHER FINANCING SOURCE/USES	\$ (66,750)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (16,688)	\$ (16,688)	\$ (16,688)	\$ (16,688)	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 187,703	\$ 82,397	\$ 18,037	\$ (39,187)	\$ (88,716)	\$ 194,307	\$ (88,716)	\$ 10,928	\$ 168,322	\$ (24,040)	\$ (24,040)	\$ (41,598)	\$ 175,362
Beginning Fund Balance	\$ 156,144	\$ (13,442)	\$ 68,126	\$ 148,659	\$ 103,842	\$ 9,496	\$ 198,172	\$ 103,823	\$ 109,123	\$ 271,815	\$ 224,145	\$ 156,474	\$ 156,474
Net Increase/(Decrease) in Fund Balance	\$ 187,703	\$ 82,397	\$ 18,037	\$ (39,187)	\$ (88,716)	\$ 194,307	\$ (88,716)	\$ 10,928	\$ 168,322	\$ (24,040)	\$ (24,040)	\$ (41,598)	\$ 175,362
Ending Cash	\$ 343,847	\$ 66,955	\$ 86,163	\$ 144,580	\$ 109,472	\$ 203,803	\$ 109,456	\$ 114,754	\$ 277,445	\$ 247,775	\$ 200,105	\$ 114,876	\$ 331,836
Designated for Economic Incentives	\$ 59,240	\$ 829	\$ 2,106	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631
YEAR 2 CASH BALANCE	\$ 284,607	\$ 68,126	\$ 84,057	\$ 148,659	\$ 103,842	\$ 9,496	\$ 198,172	\$ 109,123	\$ 271,815	\$ 224,145	\$ 156,474	\$ 109,245	\$ 337,467

Discovery Charter School Cash Flow Projections, 2005-2011

Year III -- 2008-09

Budget Item	2008-09												Accrued
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	
Beginning Cash	\$ 109,245	\$ 231,646	\$ 255,179	\$ 357,528	\$ 308,380	\$ 208,365	\$ 354,626	\$ 254,611	\$ 267,360	\$ 435,960	\$ 395,664	\$ 334,369	
INCOME													
State Programs													
Charter School General Purpose Block Grant													
Allocation													
General Block Grant - State Aid	2,378,031												
General Block Grant - Property Taxes	\$ 118,902	\$ 0	\$ 35,935	\$ 160,649	\$ 160,649	\$ 25,366	\$ 0	\$ 19,200	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 0
Prior Year Accrued General Block Grant -	2,259,129	0	240,974	160,649	0	160,649	0	160,649	364,808	382,404	182,404	182,404	0
Property Taxes	0	159,921	0	0	0	0	0	0	0	0	0	0	0
Charter School Categorical Block Grant													
Allocation													
California Lottery - Researched Funds - Prop 20	221,832	0	67,043	0	0	0	0	35,822	17,911	17,911	17,911	17,911	0
Accrued Prior Year California Lottery -	13,085	0	0	0	0	0	0	0	3,271	0	0	3,271	0
Researched Funds - Prop 20	0	0	2,908	0	0	0	0	0	0	0	0	0	0
California Lottery - Unrestricted Funds - Non-													
Prop 20	56,401	0	0	0	0	0	0	0	14,100	0	0	14,100	14,100
Accrued Prior Year California Lottery -													
Unrestricted Funds - Non-Prop 20	0	0	12,334	0	0	0	0	0	0	0	0	0	0
CA Priority (K-3) Class Size Reduction	203,464	0	0	50,866	0	0	0	0	0	0	0	0	0
Economic Impact Aid	10,648	0	3,620	0	0	0	0	1,491	745	745	745	745	0
Summer and Holiday Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
Other State Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
CDE Charter School Startup Grant	0	0	0	0	0	0	0	0	0	0	0	0	0
Other State Grants (Identify)	0	0	0	0	0	0	0	0	0	0	0	0	0
STAR 2005 CST-CA176 Survey	967	0	0	0	0	0	967	0	0	0	0	0	0
Appointment													
SABEZ appointment (English Learner													
Treasury	94	0	0	0	0	0	0	0	0	0	0	0	0
Total State Programs	\$ 2,884,521	\$ 159,921	\$ 120,487	\$ 363,013	\$ 211,515	\$ 160,649	\$ 406,924	\$ 217,162	\$ 410,435	\$ 210,660	\$ 210,660	\$ 228,032	\$ 199,775
Total Federal Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total State and Federal Funding	\$ 2,884,521	\$ 159,921	\$ 120,487	\$ 363,013	\$ 211,515	\$ 160,649	\$ 406,924	\$ 217,162	\$ 410,435	\$ 210,660	\$ 210,660	\$ 228,032	\$ 199,775
Local Programs													
General Donations	0	0	0	0	0	0	0	0	0	0	0	0	0
Pledge Drive	112,500	0	0	0	0	0	0	56,250	56,250	0	0	0	0
Corporate Matching Programs	10,260	0	0	0	0	0	0	0	0	0	0	0	0
Interest	1,657	0	166	166	166	166	166	166	166	166	166	166	0
Total Local Programs	\$ 124,417	\$ 0	\$ 166	\$ 166	\$ 166	\$ 166	\$ 166	\$ 166,419	\$ 56,419	\$ 3,296	\$ 5,296	\$ 166	\$ 0
TOTAL INCOME	\$ 3,008,938	\$ 159,921	\$ 120,487	\$ 363,178	\$ 211,681	\$ 160,815	\$ 407,090	\$ 273,378	\$ 466,851	\$ 215,956	\$ 215,956	\$ 228,197	\$ 199,775
OPERATING EXPENSES													
Classified Salaries	\$ 1,391,657	\$ 13,917	\$ 136,382	\$ 136,382	\$ 136,382	\$ 136,382	\$ 136,382	\$ 136,382	\$ 136,382	\$ 136,382	\$ 136,382	\$ 136,382	\$ 0
Employee Benefits	448,306	1,433	14,044	14,044	14,044	14,044	14,044	14,044	14,044	14,044	14,044	14,044	0
Books & Supplies	42,125	4,261	41,760	41,760	41,760	41,760	41,760	41,760	41,760	41,760	41,760	41,760	0
Services & Operational Expenses (not incl	89,181	0	4,459	4,459	4,459	4,459	4,459	4,459	4,459	4,459	4,459	4,459	0
Special ed enrichment)	339,888	16,994	30,590	30,590	30,590	30,590	30,590	30,590	30,590	30,590	30,590	30,590	0
Special Education Enrichment	272,322	0	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	0
Prior Year Accrued Special Education													
Enrichment	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Outlay	13,393	0	0	0	0	0	0	0	0	0	0	0	0
Other Outgo	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Support/Indirect Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenditures (Identify)	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenditures (Identify)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	\$ 2,675,871	\$ 36,603	\$ 94,599	\$ 254,468	\$ 254,468	\$ 254,468	\$ 254,468	\$ 254,468	\$ 254,468	\$ 254,468	\$ 254,468	\$ 254,468	\$ 0
BUDGET SURPLUS/(DEFICIT)	\$ 333,067	\$ 123,318	\$ 25,888	\$ 108,711	\$ (42,787)	\$ (93,653)	\$ 152,622	\$ (93,653)	\$ 212,383	\$ (38,512)	\$ (38,512)	\$ (26,270)	\$ 199,775
OTHER FINANCING SOURCES/USES													
CDE Revolving Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
CDE Revolving Loan Payments	65,688	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES/USES	\$ (65,688)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NET INCREASE/(DECREASE) IN FUND													
BALANCE	267,380	123,315	25,888	108,711	(42,787)	(93,653)	152,622	(93,653)	212,383	(38,512)	(38,512)	(26,270)	199,775
Beginning Fund Balance	284,607	109,745	231,646	251,528	308,380	208,365	354,626	254,611	267,360	456,960	395,664	334,369	199,775
Net Increase/(Decrease) in Fund Balance	267,380	123,315	25,888	108,711	(42,787)	(93,653)	152,622	(93,653)	212,383	(38,512)	(38,512)	(26,270)	199,775
Ending Cash	551,387	232,361	257,534	360,439	314,741	214,712	360,988	260,973	463,321	402,026	340,730	291,676	199,775
Disaggregated for Economic Uncertainties	66,897	915	2,365	6,362	6,362	6,362	6,362	6,362	6,362	6,362	6,362	6,362	0
YEAR 3 CASH BALANCE	\$ 485,090	\$ 231,646	\$ 255,179	\$ 357,528	\$ 308,380	\$ 208,365	\$ 354,626	\$ 254,611	\$ 267,360	\$ 456,960	\$ 395,664	\$ 334,369	\$ 182,404

Discovery Charter School Cash Flow Projections, 2005-2011

Year IV - 2009-10

Budget Item	2009-10												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 285,315	\$ 428,611	\$ 491,441	\$ 639,957	\$ 607,840	\$ 523,484	\$ 700,916	\$ 616,560	\$ 616,475	\$ 731,553	\$ 638,369	\$ 545,185	
INCOME													
Charter School General Purpose Block Grant													
Allocation	2,442,237												
General Block Grant - State Aid	\$ 122,112												
General Block Grant - Property Taxes	\$ 2,320,126												
Prop Year Account General Block Grant -													
Property Taxes	0	182,404	0	0	0	0	0	0	0	0	0	0	0
Charter School Categorical Block Grant													
Allocation	227,821												
California Lottery - Resisted Funds - Prop 20	13,085	0	0	0	0	0	0	0	0	0	0	0	0
Resisted Funds - Prop 20	0	0	0	0	0	0	0	0	0	0	0	0	0
California Lottery - Unrestricted Funds - Non-Prop 20	56,401	0	0	0	0	0	0	0	0	0	0	0	0
Approved Prior Year California Lottery - Unrestricted Funds - Non-Prop 20	0	0	0	0	0	0	0	0	0	0	0	0	0
CA Priority (K-3) Class Size Reduction	208,936	0	0	0	0	0	0	0	0	0	0	0	0
Economic Impact Aid	10,935	0	0	0	0	0	0	0	0	0	0	0	0
Other State Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
CDE Charitable Grants	0	0	0	0	0	0	0	0	0	0	0	0	0
STAR 2005 CST-CATS Survey	0	0	0	0	0	0	0	0	0	0	0	0	0
Apprenticeship	993	0	0	0	0	0	0	0	0	0	0	0	0
SABTEZ appointment (English Learner Testing)	96	0	0	0	0	0	0	0	0	0	0	0	0
Total State Programs	\$ 2,960,527	\$ 182,404	\$ 139,208	\$ 418,482	\$ 237,850	\$ 185,610	\$ 447,397	\$ 236,132	\$ 367,450	\$ 187,670	\$ 187,670	\$ 205,041	\$ 179,780
Total Federal Programs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total State and Federal Funding	\$ 2,960,527	\$ 182,404	\$ 139,208	\$ 418,482	\$ 237,850	\$ 185,610	\$ 447,397	\$ 236,132	\$ 367,450	\$ 187,670	\$ 187,670	\$ 205,041	\$ 179,780
Local Programs													
Pledge Drive	67,500	0	0	0	0	0	0	0	0	0	0	0	0
Corporate Matching Programs	10,537	0	0	0	0	0	0	0	0	0	0	0	0
Interest	1,453	0	0	0	0	0	0	0	0	0	0	0	0
Total Local Programs	\$ 79,490	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL INCOME	\$ 3,040,017	\$ 182,404	\$ 139,208	\$ 418,627	\$ 237,905	\$ 185,755	\$ 447,543	\$ 237,027	\$ 401,365	\$ 193,083	\$ 193,083	\$ 205,186	\$ 179,780
OPERATING EXPENSES													
Certified Salaries	\$ 1,444,540	\$ 14,445	\$ 14,445	\$ 141,565	\$ 141,565	\$ 141,565	\$ 141,565	\$ 141,565	\$ 141,565	\$ 141,565	\$ 141,565	\$ 141,565	\$ 141,565
Classified Salaries	148,752	1,488	1,488	14,578	14,578	14,578	14,578	14,578	14,578	14,578	14,578	14,578	14,578
Employee Benefits	447,248	4,472	4,472	43,830	43,830	43,830	43,830	43,830	43,830	43,830	43,830	43,830	43,830
Books & Supplies	72,722	0	0	3,636	3,636	3,636	3,636	3,636	3,636	3,636	3,636	3,636	3,636
Services & Operational Expenses (not incl. special ed enrichment)	347,962	17,398	17,398	31,317	31,317	31,317	31,317	31,317	31,317	31,317	31,317	31,317	31,317
Special Education Enrichment	279,674	0	0	27,967	27,967	27,967	27,967	27,967	27,967	27,967	27,967	27,967	27,967
Prior Year Accrued Special Education Enrichment	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Outlay	7,003	350	350	630	630	630	630	630	630	630	630	630	630
Total Operating Expenses	\$ 2,747,901	\$ 38,154	\$ 74,315	\$ 263,523	\$ 263,523	\$ 263,523	\$ 263,523	\$ 263,523	\$ 263,523	\$ 263,523	\$ 263,523	\$ 263,523	\$ 263,523
BUDGET SURPLUS(DEFICIT)	\$ 292,116	\$ 144,250	\$ 64,893	\$ 155,104	\$ (25,628)	\$ (77,768)	\$ 184,019	\$ (27,768)	\$ 6,504	\$ 137,822	\$ (70,440)	\$ (58,337)	\$ 179,780
OTHER FINANCING SOURCES/USES													
CDE Revolving Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
CDE Revolving Loan Payments	64,625	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES/USES	\$ (64,625)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	227,491	144,250	64,893	155,104	(25,628)	(77,768)	184,019	(27,768)	6,504	137,822	(70,440)	(58,337)	179,780
Beginning Fund Balance	485,090	285,315	428,611	583,917	607,840	523,484	700,916	616,560	616,475	731,553	638,369	545,185	485,090
Net Increase/(Decrease) in Fund Balance	227,491	144,250	64,893	155,104	(25,628)	(77,768)	184,019	(27,768)	6,504	137,822	(70,440)	(58,337)	179,780
Ending Cash	712,581	429,565	493,504	739,021	582,212	445,716	884,935	623,063	623,063	869,375	567,929	486,848	664,875
Designated for Economic Uncertainties	68,698	1,863	1,863	6,588	6,588	6,588	6,588	6,588	6,588	6,588	6,588	6,588	6,588
YEAR 4 CASH BALANCE	\$ 643,884	\$ 428,611	\$ 491,441	\$ 639,957	\$ 607,840	\$ 523,484	\$ 700,916	\$ 616,475	\$ 616,475	\$ 731,553	\$ 638,369	\$ 545,185	\$ 643,884

Discovery Charter School Cash Flow Projections, 2005-2011

Year V - 2010-11

Budget Item	2010-11												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 464,103	\$ 586,059	\$ 645,122	\$ 793,821	\$ 757,479	\$ 667,488	\$ 845,883	\$ 755,891	\$ 751,535	\$ 865,684	\$ 767,333	\$ 668,982	
INCOME													
Charter School General Purpose Block Grant													
General Block Grant - State AHI	\$ 2,508,178												
General Block Grant - Property Taxes	\$ 125,409												
Prior Year Accrued General Block Grant -	\$ 2,582,769												
Property Taxes													
Charter School Categorical Block Grant													
Allocation	\$ 162,409												
California Lottery - Restricted Funds - Prop 20													
Accrued Prior Year California Lottery -													
Restricted Funds - Prop 20													
California Lottery - Unrestricted Funds - Non-													
Prop 20													
Accrued Prior Year California Lottery -													
Unrestricted Funds - Non-Prop 20													
CA Priority (K-3) Class Site Function													
Economic Impact AHI													
Summer and Hourly Programs													
Other State Programs													
CPE Charter School Status Grant													
STAR 2005 CST-CATIS Siney													
Apprenticeship													
SABER appointment (English Learner													
Testing)													
Total State Programs	\$ 3,038,585	\$ 162,409	\$ 429,312	\$ 244,271	\$ 190,622	\$ 459,008	\$ 190,622	\$ 242,507	\$ 376,902	\$ 192,737	\$ 192,737	\$ 210,108	\$ 184,165
Total Local Programs	\$ 79,615	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total State and Federal Funding	\$ 3,118,200	\$ 162,409	\$ 429,312	\$ 244,271	\$ 190,622	\$ 459,008	\$ 190,622	\$ 242,507	\$ 376,902	\$ 192,737	\$ 192,737	\$ 210,108	\$ 184,165
Local Programs													
Pledge Drive	\$ 67,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Corporate Matching Programs	\$ 10,832	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	\$ 1,283	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Local Programs	\$ 79,615	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL INCOME	\$ 3,197,815	\$ 162,409	\$ 429,312	\$ 244,271	\$ 190,622	\$ 459,008	\$ 190,622	\$ 242,507	\$ 376,902	\$ 192,737	\$ 192,737	\$ 210,108	\$ 184,165
OPERATING EXPENSES													
Certificated Salaries	\$ 1,499,432	\$ 14,994	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944	\$ 146,944
Classified Salaries	\$ 154,405	\$ 1,544	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132	\$ 15,132
Employee Benefits	\$ 469,471	\$ 4,695	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008	\$ 46,008
Books & Supplies	\$ 84,780	\$ 0	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239
Services & Operational Expenses (not incl.	\$ 357,667	\$ 17,883	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190	\$ 32,190
Special Education Encroachment	\$ 287,505	\$ 0	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751	\$ 28,751
Prior Year Accrued Special Education	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Encroachment	\$ 7,003	\$ 350	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630
Capital Outlay	\$ 39,467	\$ 81,857	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894
TOTAL OPERATING EXPENSES	\$ 2,850,263	\$ 39,467	\$ 81,857	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894	\$ 273,894
BUDGET SURPLUS/(DEFICIT)	\$ 347,552	\$ 122,942	\$ 61,110	\$ 35,377	\$ 18,728	\$ 185,114	\$ 116,728	\$ 68,613	\$ 103,008	\$ 118,843	\$ 193,843	\$ 36,214	\$ 110,271
OTHER FINANCING SOURCES/USES													
CDE Revolving Loan	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CDE Revolving Loan Payments	\$ 63,563	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL OTHER FINANCING SOURCES/USES	\$ 63,563	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NET INCREASE/(DECREASE) IN FUND	\$ 411,115	\$ 122,942	\$ 61,110	\$ 35,377	\$ 18,728	\$ 185,114	\$ 116,728	\$ 68,613	\$ 103,008	\$ 118,843	\$ 193,843	\$ 36,214	\$ 110,271
BALANCE	\$ 194,375	\$ 122,942	\$ 184,052	\$ 219,429	\$ 238,157	\$ 423,271	\$ 540,000	\$ 608,613	\$ 711,621	\$ 830,464	\$ 1,024,307	\$ 1,386,521	\$ 1,506,792
Beginning Fund Balance	\$ 643,884	\$ 464,403	\$ 586,059	\$ 731,821	\$ 757,479	\$ 667,488	\$ 845,883	\$ 755,891	\$ 751,535	\$ 865,684	\$ 767,333	\$ 668,982	\$ 184,165
Net Increase/(Decrease) in Fund Balance	\$ 194,375	\$ 122,942	\$ 61,110	\$ 35,377	\$ 18,728	\$ 185,114	\$ 116,728	\$ 68,613	\$ 103,008	\$ 118,843	\$ 193,843	\$ 36,214	\$ 110,271
Ending Cash	\$ 838,259	\$ 587,345	\$ 647,169	\$ 767,206	\$ 776,206	\$ 852,602	\$ 962,611	\$ 1,024,504	\$ 1,114,640	\$ 1,249,527	\$ 1,448,176	\$ 1,755,535	\$ 1,617,063
Designated for Economic Uncertainties	\$ 71,507	\$ 987	\$ 2,046	\$ 6,847	\$ 6,847	\$ 6,847	\$ 6,847	\$ 6,847	\$ 6,847	\$ 6,847	\$ 6,847	\$ 6,847	\$ 6,847
YEAR 5 CASH BALANCE	\$ 766,752	\$ 588,358	\$ 645,122	\$ 774,053	\$ 783,053	\$ 859,449	\$ 969,458	\$ 1,031,351	\$ 1,121,487	\$ 1,256,374	\$ 1,454,323	\$ 1,762,382	\$ 1,623,910

VI. SUPPLEMENTAL BUDGET AND CASH FLOW SCENARIOS

Supplemental Scenario 1 (Add Grades 7 and 8 in Year 1):

This scenario would add 1 class each for grades 7 and 8 and keep the number of students per class for grades 4-8 at 25.

Supplemental Scenario 1: Enrollment Summary

Number of Regular Classes	Year 1	Year 2	Year 3	Year 4	Year 5
K/1	5	5	5	5	5
2/3	5	5	5	5	5
4	2	2	2	2	2
5	2	2	2	2	2
6	2	2	2	2	2
7	1	2	2	2	2
8	1	1	2	2	2

Supplemental Scenario 1: Budget Summary

BUDGET OVERVIEW

Ordinal Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year IV	Year V
Fiscal Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	Projected	Projected
Student Enrollment	0	400	425	450	450	450	450	450
Number of Teachers	0	18	19	20	20	20	20	20
Total Revenues	\$ 107,303	\$ 2,523,114	\$ 2,779,475	\$ 3,008,998	\$ 3,040,011	\$ 3,118,194		
Total Expenditures	46,442	2,543,965	2,463,561	2,663,935	2,749,081	2,861,459		
Operating Surplus/Deficit	\$ 60,860	\$ (20,851)	\$ 315,914	\$ 345,063	\$ 290,930	\$ 256,735		
Designated for Economic Uncertainties	\$ 1,161	\$ 63,599	\$ 61,589	\$ 66,598	\$ 68,727	\$ 71,536		
Net Surplus/Deficit	\$ 59,699	\$ (84,450)	\$ 254,324	\$ 278,465	\$ 222,203	\$ 185,199		

CDE Revolving Loan Proceeds/(Payments)	\$ 0	\$ 250,000	\$ (66,750)	\$ (85,888)	\$ (64,625)	\$ (63,563)		
Ending Cash Balance	59,699	30,820	239,444	437,958	603,399	720,650		
Lowest Cash Balance	0	30,820	128,292	358,904	569,061	720,650		

Supplemental Scenario I: Cash Flow Summary

Year 0 -- 2005-06

Budget Item	2005-06											
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Beginning Cash	\$ 107,303	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,297	\$ 3,594	\$ 2,891	\$ 2,189	\$ 36,233	\$ 72,966
TOTAL INCOME	\$ 46,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 50,000	\$ 51,151	\$ 0
TOTAL OPERATING EXPENSES	\$ 60,860	\$ 0	\$ 0	\$ 0	\$ 0	\$ 686	\$ 686	\$ 686	\$ 686	\$ 15,567	\$ 14,067	\$ 24,067
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 92,885	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,314	\$ (686)	\$ (686)	\$ (686)	\$ 34,433	\$ 37,085	\$ (12,915)
Beginning Fund Balance	\$ 60,860	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,297	\$ 3,594	\$ 2,891	\$ 2,189	\$ 36,233	\$ 72,966
Net Increase/(Decrease) in Fund Balance	\$ 60,860	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,314	\$ (686)	\$ (686)	\$ (686)	\$ 34,433	\$ 37,085	\$ (12,915)
Ending Cash	\$ 60,860	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,314	\$ 3,611	\$ 2,900	\$ 2,406	\$ 36,622	\$ 73,318	\$ 60,051
Designated for Economic Uncertainties	\$ 1,161	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17	\$ 17	\$ 17	\$ 17	\$ 389	\$ 352	\$ 352
YEAR 0 CASH BALANCE	\$ 59,699	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,297	\$ 3,594	\$ 2,891	\$ 2,189	\$ 36,233	\$ 72,966	\$ 59,699

Year I -- 2006-07

Budget Item	2006-07											
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Beginning Cash	\$ 2,523,114	\$ 270,888	\$ 137,488	\$ 222,021	\$ 141,473	\$ 60,925	\$ 236,973	\$ 156,425	\$ 152,636	\$ 264,180	\$ 188,060	\$ 111,940
TOTAL INCOME	\$ 2,143,965	\$ 37,865	\$ 243,085	\$ 226,502	\$ 226,502	\$ 408,212	\$ 151,616	\$ 238,373	\$ 353,708	\$ 156,044	\$ 156,044	\$ 151,044
TOTAL OPERATING EXPENSES	\$ 229,149	\$ 212,135	\$ 90,195	\$ (74,885)	\$ (74,885)	\$ 181,710	\$ (74,885)	\$ 11,874	\$ 107,207	\$ (70,458)	\$ (70,458)	\$ (75,458)
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 59,699	\$ 270,888	\$ 137,488	\$ 222,021	\$ 141,473	\$ 60,925	\$ 236,973	\$ 156,425	\$ 152,636	\$ 264,180	\$ 188,060	\$ 111,940
Beginning Fund Balance	\$ 229,149	\$ 212,135	\$ 90,195	\$ (74,885)	\$ (74,885)	\$ 181,710	\$ (74,885)	\$ 11,874	\$ 107,207	\$ (70,458)	\$ (70,458)	\$ (75,458)
Net Increase/(Decrease) in Fund Balance	\$ 229,149	\$ 270,888	\$ 137,488	\$ 222,021	\$ 141,473	\$ 60,925	\$ 236,973	\$ 156,425	\$ 152,636	\$ 264,180	\$ 188,060	\$ 111,940
Ending Cash	\$ 288,848	\$ 271,835	\$ 147,315	\$ 147,135	\$ 66,588	\$ 242,635	\$ 162,088	\$ 168,299	\$ 269,843	\$ 193,723	\$ 137,602	\$ 56,482
Designated for Economic Uncertainties	\$ 63,599	\$ 947	\$ 6,027	\$ 5,663	\$ 5,663	\$ 5,663	\$ 5,663	\$ 5,663	\$ 5,663	\$ 5,663	\$ 5,663	\$ 5,663
YEAR 1 CASH BALANCE	\$ 225,249	\$ 270,888	\$ 137,488	\$ 222,021	\$ 141,473	\$ 60,925	\$ 236,973	\$ 156,425	\$ 162,636	\$ 264,180	\$ 188,060	\$ 111,940

Year II -- 2007-08

Budget Item	2007-08											
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Beginning Cash	\$ 2,779,475	\$ 30,820	\$ 128,292	\$ 260,487	\$ 225,545	\$ 141,074	\$ 317,407	\$ 272,936	\$ 290,364	\$ 440,911	\$ 369,953	\$ 298,995
TOTAL INCOME	\$ 2,463,561	\$ 34,233	\$ 80,073	\$ 234,916	\$ 234,916	\$ 457,211	\$ 156,317	\$ 238,217	\$ 408,073	\$ 186,518	\$ 186,518	\$ 197,924
TOTAL OPERATING EXPENSES	\$ 249,164	\$ 98,331	\$ 37,048	\$ (29,069)	\$ (78,598)	\$ 222,206	\$ (78,598)	\$ 23,301	\$ 156,420	\$ (65,085)	\$ (65,085)	\$ (53,679)
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 225,249	\$ 270,888	\$ 137,488	\$ 222,021	\$ 141,473	\$ 60,925	\$ 236,973	\$ 156,425	\$ 152,636	\$ 264,180	\$ 188,060	\$ 111,940
Beginning Fund Balance	\$ 249,164	\$ 98,331	\$ 37,048	\$ (29,069)	\$ (78,598)	\$ 222,206	\$ (78,598)	\$ 23,301	\$ 156,420	\$ (65,085)	\$ (65,085)	\$ (53,679)
Net Increase/(Decrease) in Fund Balance	\$ 225,249	\$ 270,888	\$ 137,488	\$ 222,021	\$ 141,473	\$ 60,925	\$ 236,973	\$ 156,425	\$ 152,636	\$ 264,180	\$ 188,060	\$ 111,940
Ending Cash	\$ 474,413	\$ 129,151	\$ 165,340	\$ 266,360	\$ 231,418	\$ 146,947	\$ 363,279	\$ 278,808	\$ 296,237	\$ 446,784	\$ 375,826	\$ 245,317
Designated for Economic Uncertainties	\$ 61,589	\$ 858	\$ 2,002	\$ 5,873	\$ 5,873	\$ 5,873	\$ 5,873	\$ 5,873	\$ 5,873	\$ 5,873	\$ 5,873	\$ 5,873
YEAR 2 CASH BALANCE	\$ 412,824	\$ 128,292	\$ 163,338	\$ 260,487	\$ 225,545	\$ 141,074	\$ 317,407	\$ 272,936	\$ 290,364	\$ 440,911	\$ 369,953	\$ 298,995

Year III -- 2008-09

Budget Item	2008-09											
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Beginning Cash	\$ 3,008,998	\$ 156,974	\$ 128,017	\$ 397,340	\$ 522,642	\$ 484,026	\$ 394,544	\$ 555,880	\$ 466,397	\$ 650,015	\$ 575,249	\$ 500,483
TOTAL INCOME	\$ 2,663,935	\$ 36,598	\$ 87,397	\$ 233,994	\$ 233,994	\$ 421,680	\$ 170,861	\$ 279,965	\$ 440,762	\$ 202,000	\$ 202,000	\$ 214,241
TOTAL OPERATING EXPENSES	\$ 279,375	\$ 412,824	\$ 128,292	\$ 163,338	\$ 260,487	\$ 225,545	\$ 141,074	\$ 317,407	\$ 272,936	\$ 290,364	\$ 440,911	\$ 369,953
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 279,375	\$ 412,824	\$ 128,292	\$ 163,338	\$ 260,487	\$ 225,545	\$ 141,074	\$ 317,407	\$ 272,936	\$ 290,364	\$ 440,911	\$ 369,953
Beginning Fund Balance	\$ 279,375	\$ 412,824	\$ 128,292	\$ 163,338	\$ 260,487	\$ 225,545	\$ 141,074	\$ 317,407	\$ 272,936	\$ 290,364	\$ 440,911	\$ 369,953
Net Increase/(Decrease) in Fund Balance	\$ 279,375	\$ 412,824	\$ 128,292	\$ 163,338	\$ 260,487	\$ 225,545	\$ 141,074	\$ 317,407	\$ 272,936	\$ 290,364	\$ 440,911	\$ 369,953
Ending Cash	\$ 694,199	\$ 359,819	\$ 399,525	\$ 528,992	\$ 490,376	\$ 400,893	\$ 562,229	\$ 472,747	\$ 492,368	\$ 656,365	\$ 583,598	\$ 444,108
Designated for Economic Uncertainties	\$ 66,598	\$ 915	\$ 2,185	\$ 6,350	\$ 6,350	\$ 6,350	\$ 6,350	\$ 6,350	\$ 6,350	\$ 6,350	\$ 6,350	\$ 6,350
YEAR 3 CASH BALANCE	\$ 625,601	\$ 358,904	\$ 397,340	\$ 522,642	\$ 484,026	\$ 394,544	\$ 555,880	\$ 466,397	\$ 466,018	\$ 650,015	\$ 575,249	\$ 500,483

Year IV -- 2009-10

Budget Item	2008-10												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 437,958	\$ 569,061	\$ 631,831	\$ 780,737	\$ 748,011	\$ 663,546	\$ 840,868	\$ 756,402	\$ 756,208	\$ 871,176	\$ 777,883	\$ 684,589	
TOTAL INCOME	\$ 170,271	\$ 139,208	\$ 418,627	\$ 237,994	\$ 185,755	\$ 447,342	\$ 385,755	\$ 270,026	\$ 401,345	\$ 193,083	\$ 193,083	\$ 205,186	\$ 179,780
TOTAL OPERATING EXPENSES	\$ 2,749,081	\$ 38,213	\$ 263,630	\$ 263,630	\$ 263,630	\$ 263,630	\$ 263,630	\$ 263,630	\$ 263,630	\$ 263,630	\$ 263,630	\$ 263,630	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 226,305	\$ 132,059	\$ 154,997	\$ (25,635)	\$ (77,875)	\$ 183,913	\$ (77,875)	\$ 6,397	\$ 121,559	\$ (86,703)	\$ (86,703)	\$ (74,600)	\$ 179,780
Beginning Fund Balance	\$ 625,601	\$ 437,858	\$ 569,061	\$ 631,831	\$ 780,237	\$ 663,546	\$ 840,868	\$ 756,402	\$ 756,208	\$ 871,176	\$ 777,883	\$ 684,589	
Net Increase/(Decrease) in Fund Balance	\$ 226,305	\$ 132,059	\$ 154,997	\$ (25,635)	\$ (77,875)	\$ 183,913	\$ (77,875)	\$ 6,397	\$ 121,559	\$ (86,703)	\$ (86,703)	\$ (74,600)	\$ 179,780
Ending Cash	\$ 851,906	\$ 570,017	\$ 786,828	\$ 754,602	\$ 670,137	\$ 847,458	\$ 762,993	\$ 762,799	\$ 877,757	\$ 784,474	\$ 691,180	\$ 609,989	
Designated for Economic Uncertainties	\$ 68,727	\$ 855	\$ 6,591	\$ 6,591	\$ 6,591	\$ 6,591	\$ 6,591	\$ 6,591	\$ 6,591	\$ 6,591	\$ 6,591	\$ 6,591	
YEAR 4 CASH BALANCE	\$ 783,179	\$ 569,061	\$ 631,831	\$ 780,237	\$ 748,011	\$ 840,868	\$ 756,402	\$ 756,208	\$ 871,176	\$ 777,883	\$ 684,589	\$ 603,398	

Year V -- 2010-11

Budget Item	2010-11												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 603,399	\$ 725,293	\$ 784,295	\$ 932,883	\$ 896,430	\$ 806,328	\$ 984,612	\$ 804,509	\$ 890,043	\$ 1,004,080	\$ 905,618	\$ 807,156	
TOTAL INCOME	\$ 162,409	\$ 142,966	\$ 429,440	\$ 244,399	\$ 190,749	\$ 459,136	\$ 390,749	\$ 276,385	\$ 410,780	\$ 198,280	\$ 198,280	\$ 210,236	\$ 184,165
TOTAL OPERATING EXPENSES	\$ 1,861,459	\$ 39,526	\$ 274,022	\$ 274,022	\$ 274,022	\$ 274,022	\$ 274,022	\$ 274,022	\$ 274,022	\$ 274,022	\$ 274,022	\$ 274,022	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 193,173	\$ 122,882	\$ 155,438	\$ (29,602)	\$ (83,252)	\$ 185,134	\$ (83,252)	\$ 2,383	\$ 120,887	\$ (91,612)	\$ (91,612)	\$ (79,856)	\$ 184,165
Beginning Fund Balance	\$ 783,179	\$ 603,399	\$ 784,295	\$ 932,883	\$ 896,430	\$ 806,328	\$ 984,612	\$ 804,509	\$ 890,043	\$ 1,004,080	\$ 905,618	\$ 807,156	
Net Increase/(Decrease) in Fund Balance	\$ 193,173	\$ 122,882	\$ 155,438	\$ (29,602)	\$ (83,252)	\$ 185,134	\$ (83,252)	\$ 2,383	\$ 120,887	\$ (91,612)	\$ (91,612)	\$ (79,856)	\$ 184,165
Ending Cash	\$ 976,352	\$ 726,281	\$ 939,733	\$ 903,280	\$ 813,178	\$ 991,462	\$ 901,359	\$ 896,893	\$ 1,010,930	\$ 912,468	\$ 814,006	\$ 727,300	
Designated for Economic Uncertainties	\$ 71,536	\$ 988	\$ 2,048	\$ 6,850	\$ 6,850	\$ 6,850	\$ 6,850	\$ 6,850	\$ 6,850	\$ 6,850	\$ 6,850	\$ 6,850	
YEAR 5 CASH BALANCE	\$ 904,815	\$ 725,293	\$ 784,295	\$ 932,883	\$ 896,430	\$ 984,612	\$ 894,509	\$ 890,043	\$ 1,004,080	\$ 905,618	\$ 807,156	\$ 720,450	

Supplemental Scenario 2 (Increase Number of K/1 and 2/3 Classes and Size of 4-6 Classes):

This scenario would add one class for K/1 and for 2/3 and increase the number of students per class for grades 4-6 to 28.

Supplemental Scenario 2: Enrollment Summary

Number of Regular Classes	Year 1		Year 2		Year 3		Year 4		Year 5	
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
K/1	6	6	6	6	6	6	6	6	6	6
2/3	6	6	6	6	6	6	6	6	6	6
4	2	2	2	2	2	2	2	2	2	2
5	2	2	2	2	2	2	2	2	2	2
6	2	2	2	2	2	2	2	2	2	2
7	0	0	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0	0	0

Supplemental Scenario 2: Budget Summary

BUDGET OVERVIEW

Ordinal Year Fiscal Year	Year 0 2005-06		Year 1 2006-07		Year 2 2007-08		Year 3 2008-09		Year 4 2009-10		Year 5 2010-11	
	Projected	Budget	Projected	Budget	Projected	Budget	Projected	Budget	Projected	Budget	Projected	Budget
Student Enrollment	0	408	0	464	0	520	0	520	0	520	0	520
Number of Teachers	0	18	0	20	0	22	0	22	0	22	0	22
Total Revenues	\$ 109,313	\$ 2,598,258	\$ 109,313	\$ 3,050,102	\$ 109,313	\$ 3,484,099	\$ 109,313	\$ 3,520,204	\$ 109,313	\$ 3,610,755	\$ 109,313	\$ 3,610,755
Total Expenditures	\$ 46,442	\$ 2,554,701	\$ 46,442	\$ 2,597,629	\$ 46,442	\$ 2,918,135	\$ 46,442	\$ 2,996,666	\$ 46,442	\$ 3,119,679	\$ 46,442	\$ 3,119,679
Operating Surplus/Deficit	\$ 62,870	\$ 43,557	\$ 62,870	\$ 452,473	\$ 62,870	\$ 565,964	\$ 62,870	\$ 523,538	\$ 62,870	\$ 491,075	\$ 62,870	\$ 491,075
Designated for Economic Uncertainties	\$ 1,161	\$ 63,868	\$ 1,161	\$ 64,941	\$ 1,161	\$ 72,953	\$ 1,161	\$ 74,917	\$ 1,161	\$ 77,992	\$ 1,161	\$ 77,992
Net Surplus/Deficit	\$ 61,709	\$ (20,310)	\$ 61,709	\$ 387,533	\$ 61,709	\$ 493,011	\$ 61,709	\$ 448,621	\$ 61,709	\$ 413,083	\$ 61,709	\$ 413,083
CDE Revolving Loan Proceeds/(Payments)	\$ 0	\$ 250,000	\$ 0	\$ (66,750)	\$ 0	\$ (65,688)	\$ 0	\$ (64,625)	\$ 0	\$ (63,563)	\$ 0	\$ (63,563)
Ending Cash Balance	61,709	93,744	61,709	409,774	61,709	809,611	61,709	1,215,840	61,709	1,560,296	61,709	1,560,296
Lowest Cash Balance	0	67,970	0	178,526	0	553,988	0	977,433	0	1,359,982	0	1,359,982

Supplemental Scenario 2: Cash Flow Summary

Year 0 -- 2005-06

Budget Item	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 109,313	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,297	\$ 3,594	\$ 2,891	\$ 2,189	\$ 37,233	\$ 74,971
TOTAL INCOME	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 51,000	\$ 52,156	\$ 1,156
TOTAL OPERATING EXPENSES	\$ 46,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 686	\$ 686	\$ 686	\$ 15,167	\$ 14,067	\$ 14,067	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 62,870	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,314	\$ (586)	\$ (686)	\$ (686)	\$ 35,433	\$ 38,090	\$ (12,910)	\$ 0
Beginning Fund Balance	\$ 62,870	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,314	\$ 3,594	\$ 2,891	\$ 2,189	\$ 35,433	\$ 38,090	\$ (12,910)	\$ 0
Net Increase/(Decrease) in Fund Balance	\$ 62,870	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,314	\$ (586)	\$ (686)	\$ (686)	\$ 35,433	\$ 36,090	\$ (12,910)	\$ 0
Ending Cash	\$ 172,183	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,314	\$ 3,611	\$ 2,900	\$ 2,189	\$ 37,622	\$ 74,180	\$ 61,260	\$ 0
Designated for Economic Uncertainties	\$ 1,161	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17	\$ 17	\$ 17	\$ 17	\$ 37,622	\$ 38,939	\$ 352	\$ 0
YEAR 0 CASH BALANCE	\$ 61,709	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,297	\$ 3,594	\$ 2,891	\$ 2,189	\$ 37,233	\$ 74,971	\$ 61,709	\$ 0

Year I -- 2006-07

Budget Item	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 61,709	\$ 272,813	\$ 136,902	\$ 225,814	\$ 146,892	\$ 67,970	\$ 285,293	\$ 206,371	\$ 215,874	\$ 322,082	\$ 247,636	\$ 171,190	\$ 0
TOTAL INCOME	\$ 2,598,258	\$ 0	\$ 115,418	\$ 153,912	\$ 153,912	\$ 450,158	\$ 153,912	\$ 242,337	\$ 339,043	\$ 338,388	\$ 158,388	\$ 153,388	\$ 197,655
TOTAL OPERATING EXPENSES	\$ 2,154,701	\$ 37,947	\$ 245,199	\$ 227,155	\$ 227,155	\$ 227,155	\$ 227,155	\$ 227,155	\$ 227,155	\$ 227,155	\$ 227,155	\$ 227,155	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 293,557	\$ 129,781	\$ 94,590	\$ (73,243)	\$ (73,243)	\$ 223,002	\$ (73,243)	\$ 15,181	\$ 111,887	\$ (68,767)	\$ (68,767)	\$ (73,767)	\$ 197,655
Beginning Fund Balance	\$ 61,709	\$ 272,813	\$ 136,902	\$ 225,814	\$ 146,892	\$ 67,970	\$ 285,293	\$ 206,371	\$ 215,874	\$ 322,082	\$ 247,636	\$ 171,190	\$ 0
Net Increase/(Decrease) in Fund Balance	\$ 293,557	\$ 129,781	\$ 94,590	\$ (73,243)	\$ (73,243)	\$ 223,002	\$ (73,243)	\$ 15,181	\$ 111,887	\$ (68,767)	\$ (68,767)	\$ (73,767)	\$ 197,655
Ending Cash	\$ 353,267	\$ 273,762	\$ 231,492	\$ 152,571	\$ 73,649	\$ 290,972	\$ 212,050	\$ 221,553	\$ 327,761	\$ 253,315	\$ 178,869	\$ 99,423	\$ 0
Designated for Economic Uncertainties	\$ 63,868	\$ 949	\$ 6,130	\$ 5,679	\$ 5,679	\$ 5,679	\$ 5,679	\$ 5,679	\$ 5,679	\$ 5,679	\$ 5,679	\$ 5,679	\$ 0
YEAR 1 CASH BALANCE	\$ 291,399	\$ 272,813	\$ 136,902	\$ 146,892	\$ 67,970	\$ 285,293	\$ 206,371	\$ 215,874	\$ 322,082	\$ 247,636	\$ 173,190	\$ 93,744	\$ 0

Year II -- 2007-08

Budget Item	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 93,744	\$ 191,806	\$ 215,610	\$ 306,922	\$ 272,441	\$ 178,526	\$ 419,501	\$ 325,585	\$ 346,965	\$ 530,995	\$ 499,617	\$ 448,240	\$ 0
TOTAL INCOME	\$ 3,050,102	\$ 134,654	\$ 139,189	\$ 218,578	\$ 159,144	\$ 494,034	\$ 159,144	\$ 274,438	\$ 473,777	\$ 218,369	\$ 218,369	\$ 231,281	\$ 202,408
TOTAL OPERATING EXPENSES	\$ 2,597,629	\$ 35,700	\$ 93,059	\$ 246,887	\$ 246,887	\$ 246,887	\$ 246,887	\$ 246,887	\$ 246,887	\$ 246,887	\$ 246,887	\$ 246,887	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 385,723	\$ 26,130	\$ 97,484	\$ (28,909)	\$ (87,743)	\$ 247,147	\$ (87,743)	\$ 27,552	\$ 210,203	\$ (45,206)	\$ (45,206)	\$ (32,294)	\$ 202,408
Beginning Fund Balance	\$ 291,399	\$ 93,744	\$ 191,806	\$ 306,922	\$ 272,441	\$ 178,526	\$ 419,501	\$ 325,585	\$ 346,965	\$ 530,995	\$ 499,617	\$ 448,240	\$ 0
Net Increase/(Decrease) in Fund Balance	\$ 385,723	\$ 26,130	\$ 97,484	\$ (28,909)	\$ (87,743)	\$ 247,147	\$ (87,743)	\$ 27,552	\$ 210,203	\$ (45,206)	\$ (45,206)	\$ (32,294)	\$ 202,408
Ending Cash	\$ 677,123	\$ 192,698	\$ 217,936	\$ 313,094	\$ 184,698	\$ 425,673	\$ 331,757	\$ 353,137	\$ 557,167	\$ 505,790	\$ 454,412	\$ 415,946	\$ 0
Designated for Economic Uncertainties	\$ 64,941	\$ 893	\$ 2,326	\$ 6,172	\$ 6,172	\$ 6,172	\$ 6,172	\$ 6,172	\$ 6,172	\$ 6,172	\$ 6,172	\$ 6,172	\$ 0
YEAR 2 CASH BALANCE	\$ 612,182	\$ 191,806	\$ 215,610	\$ 306,922	\$ 272,441	\$ 419,501	\$ 325,585	\$ 346,965	\$ 550,995	\$ 499,617	\$ 448,240	\$ 409,774	\$ 0

Year III -- 2008-09

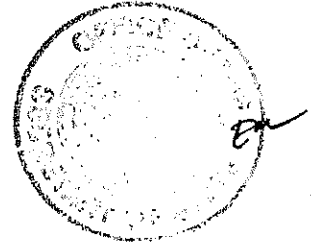
Budget Item	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 409,774	\$ 553,988	\$ 586,626	\$ 723,468	\$ 686,684	\$ 588,861	\$ 782,702	\$ 684,879	\$ 717,089	\$ 953,807	\$ 900,760	\$ 847,714	\$ 0
TOTAL INCOME	\$ 3,484,099	\$ 184,496	\$ 139,702	\$ 421,216	\$ 247,591	\$ 478,215	\$ 186,551	\$ 316,385	\$ 537,514	\$ 247,749	\$ 247,749	\$ 262,693	\$ 229,895
TOTAL OPERATING EXPENSES	\$ 2,918,135	\$ 39,300	\$ 104,453	\$ 277,438	\$ 277,438	\$ 277,438	\$ 277,438	\$ 277,438	\$ 277,438	\$ 277,438	\$ 277,438	\$ 277,438	\$ 0
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ 500,277	\$ 145,197	\$ 35,249	\$ (29,848)	\$ (90,887)	\$ 200,776	\$ (90,887)	\$ 39,147	\$ 243,654	\$ (46,111)	\$ (46,111)	\$ (31,167)	\$ 229,895
Beginning Fund Balance	\$ 612,182	\$ 409,774	\$ 553,988	\$ 723,468	\$ 686,684	\$ 588,861	\$ 782,702	\$ 684,879	\$ 717,089	\$ 953,807	\$ 900,760	\$ 847,714	\$ 0
Net Increase/(Decrease) in Fund Balance	\$ 500,277	\$ 145,197	\$ 35,249	\$ (29,848)	\$ (90,887)	\$ 200,776	\$ (90,887)	\$ 39,147	\$ 243,654	\$ (46,111)	\$ (46,111)	\$ (31,167)	\$ 229,895
Ending Cash	\$ 1,112,458	\$ 554,970	\$ 589,237	\$ 730,404	\$ 695,797	\$ 789,638	\$ 691,815	\$ 724,025	\$ 960,743	\$ 907,696	\$ 854,650	\$ 816,546	\$ 0
Designated for Economic Uncertainties	\$ 72,953	\$ 982	\$ 2,611	\$ 6,936	\$ 6,936	\$ 6,936	\$ 6,936	\$ 6,936	\$ 6,936	\$ 6,936	\$ 6,936	\$ 6,936	\$ 0
YEAR 3 CASH BALANCE	\$ 1,039,505	\$ 553,988	\$ 586,626	\$ 723,468	\$ 686,684	\$ 588,861	\$ 782,702	\$ 684,879	\$ 953,807	\$ 900,760	\$ 847,714	\$ 809,611	\$ 0

Year IV -- 2009-10

Budget Item	2009-10												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 809,611	\$ 977,433	\$ 1,053,218	\$ 1,242,434	\$ 1,235,311	\$ 1,145,500	\$ 1,375,135	\$ 1,295,324	\$ 1,312,865	\$ 1,465,967	\$ 1,377,656	\$ 1,289,345	
TOTAL INCOME	\$ 209,821	\$ 160,790	\$ 483,674	\$ 277,335	\$ 214,647	\$ 524,093	\$ 284,687	\$ 312,619	\$ 463,697	\$ 222,303	\$ 222,303	\$ 237,108	\$ 207,662
NET OPERATING EXPENSES	\$ 2,996,666	\$ 40,974	\$ 82,931	\$ 287,276	\$ 287,276	\$ 287,276	\$ 287,276	\$ 287,276	\$ 287,276	\$ 287,276	\$ 287,276	\$ 287,276	\$ 287,276
NET INCREASE/(DECREASE) IN FUND BALANCE	438,933	168,847	77,859	(9,942)	(72,629)	236,817	(72,629)	24,743	160,264	(81,129)	(81,129)	(66,324)	207,662
Beginning Fund Balance	\$ 1,099,505	\$ 809,611	\$ 977,433	\$ 1,053,218	\$ 1,242,434	\$ 1,145,500	\$ 1,375,135	\$ 1,295,324	\$ 1,312,865	\$ 1,465,967	\$ 1,377,656	\$ 1,289,345	
Net Increase/(Decrease) in Fund Balance	438,933	168,847	77,859	(9,942)	(72,629)	236,817	(72,629)	24,743	160,264	(81,129)	(81,129)	(66,324)	207,662
Ending Cash	\$ 1,498,418	\$ 978,457	\$ 1,055,291	\$ 1,242,492	\$ 1,152,682	\$ 1,382,317	\$ 1,302,506	\$ 1,320,067	\$ 1,473,149	\$ 1,384,838	\$ 1,296,327	\$ 1,223,021	
Designated for Economic Uncertainties	\$ 1,094	\$ 2,073	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182	\$ 7,182
YEAR 4 CASH BALANCE	\$ 1,423,502	\$ 977,433	\$ 1,053,218	\$ 1,242,434	\$ 1,223,311	\$ 1,145,500	\$ 1,375,135	\$ 1,312,885	\$ 1,465,967	\$ 1,377,656	\$ 1,289,345	\$ 1,215,840	

Year V -- 2010-11

Budget Item	2010-11												
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Accrued
Beginning Cash	\$ 1,215,840	\$ 1,359,982	\$ 1,431,522	\$ 1,621,626	\$ 1,600,362	\$ 1,514,718	\$ 1,746,334	\$ 1,660,690	\$ 1,673,993	\$ 1,826,638	\$ 1,732,971	\$ 1,639,305	
TOTAL INCOME	\$ 187,588	\$ 165,131	\$ 496,168	\$ 284,799	\$ 220,419	\$ 537,678	\$ 220,419	\$ 313,367	\$ 474,598	\$ 228,287	\$ 228,287	\$ 242,945	\$ 212,727
NET OPERATING EXPENSES	\$ 3,119,679	\$ 91,309	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598	\$ 298,598
NET INCREASE/(DECREASE) IN FUND BALANCE	437,513	145,202	73,823	(13,799)	(78,179)	239,080	(78,179)	20,769	160,109	(86,202)	(86,202)	(71,544)	212,727
Beginning Fund Balance	\$ 1,423,502	\$ 1,215,840	\$ 1,359,982	\$ 1,431,522	\$ 1,600,362	\$ 1,514,718	\$ 1,746,334	\$ 1,660,690	\$ 1,673,993	\$ 1,826,638	\$ 1,732,971	\$ 1,639,305	
Net Increase/(Decrease) in Fund Balance	437,513	145,202	73,823	(13,799)	(78,179)	239,080	(78,179)	20,769	160,109	(86,202)	(86,202)	(71,544)	212,727
Ending Cash	\$ 1,851,014	\$ 1,361,041	\$ 1,433,804	\$ 1,621,626	\$ 1,522,183	\$ 1,753,799	\$ 1,668,155	\$ 1,681,458	\$ 1,834,103	\$ 1,740,436	\$ 1,646,769	\$ 1,567,761	
Designated for Economic Uncertainties	\$ 77,392	\$ 1,060	\$ 2,283	\$ 7,465	\$ 7,465	\$ 7,465	\$ 7,465	\$ 7,465	\$ 7,465	\$ 7,465	\$ 7,465	\$ 7,465	\$ 7,182
YEAR 5 CASH BALANCE	\$ 1,773,622	\$ 1,359,982	\$ 1,431,522	\$ 1,621,626	\$ 1,600,362	\$ 1,514,718	\$ 1,746,334	\$ 1,660,690	\$ 1,673,993	\$ 1,826,638	\$ 1,732,971	\$ 1,639,305	\$ 1,560,296



State of California
Secretary of State

I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 2 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

APR 11 2005

BRUCE McPHERSON
Secretary of State

ARTICLES OF INCORPORATION

APR 08 2005

OF

PARENT PARTICIPATION CHARTER SCHOOL, INC.

Article I

The name of the corporation is Parent Participation Charter School, Inc.

Article II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.

B. The specific purpose of this corporation is to manage, operate, guide, direct and promote a California public charter school.

Article III

The name and address in the State of California of the Corporation's initial agent for service of process is Peter W. Gumaer, 1901 S. Bascom Avenue, Suite 350, Campbell, California 95008.

Article IV

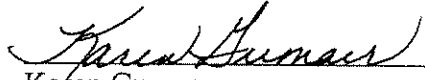
A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Internal Revenue Code § 501(c)(3).

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

Article V

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated

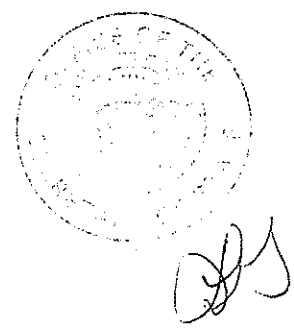
exclusively for educational purposes and which has established its tax exempt status under Section 501(c)(3), Internal Revenue Code.



Karen Gumaer



State of California
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

MAY 10 2005

Bruce McPherson

BRUCE McPHERSON
Secretary of State

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

MAY - 5 2005

CERTIFICATE OF AMENDMENT OF
ARTICLES OF INCORPORATION

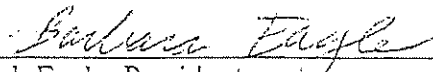
The undersigned certify that:


1. They are the president and the secretary, respectively, of Parent Participation Charter School, Inc., a California corporation.
2. Article I of the Articles of Incorporation of this corporation is amended to read as follows:

The name of the corporation is Discovery Charter School.
3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.
4. The corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Dated: 5/4/05


Barb Eagle, President


Cindy Hellmann, Secretary



We the undersigned believe that the attached charter petition merits consideration and hereby petition the governing board of the Moreland School District to grant approval of the charter pursuant to Education Code Section 47605 to enable the creation of the Discovery Charter School. The Discovery Charter School agrees to operate the school pursuant to the terms of the Charter Schools Act and the provisions of the attached charter. The petitioners listed below certify that they are teachers who are meaningfully interested in teaching at the Discovery Charter School.

By the Lead Petitioner:

Barbara Eagle Barbara Eagle 6-8-05
 Name Signature Date

The petitioners recognize Barb Eagle as the Lead Petitioner and hereby authorize the Lead Petitioner to negotiate any amendments to the attached charter necessary to secure approval by the Moreland School District Board.

Submitted By the Petitioners pursuant to Education Code Section 47605(a)(1)(B):

Name	Signature	Date
Sherry Vasquez	Sherry Vasquez	6/3/05
Charlene Wendras	Charlene Wendras	6/3/05
Bill Merker	Bill Merker	6/3/05
Kim Veil Kim Veil	Kim Veil	6-3-05
Susan Lavelle	Susan Lavelle	6/3/05
Becky Elias	Becky Elias	6/3/05
Cindy Aldridge	Cindy Aldridge	6/3/05
Cherice Beers	Cherice Beers	6/3/05
Melony Dawes	Melony Dawes	6/3/05
Katie Morse	Katie Morse	6/3/05
Ann Cordinale	Ann Cordinale	6-3-05
Kate Miller	Kate Miller	6/3/05
Kathy Claus	Kathy Claus	6/3/05
Michelle Sutton	Michelle Sutton	6/3/05
Helen Shankle	Helen Shankle	6/3/05
John Milberg	John Milberg	6/3/05
Erin Augustine	Erin Augustine	6/3/05
Ann Richardson	Ann Richardson	6/3/05
Steve Hansen	Steve Hansen	6/3/05
Yvonne Stanbury	Yvonne Stanbury	6/8/05



[EDS Home](#) [About EDS](#) [Classrooms](#) [Newsletters](#)
[EDS Events](#) [District](#) [Hot Topics](#) [Calendar](#) [Staff Directory](#)

4600 Eastus Drive, San Jose, CA 95129
(408) 874-3600 Fax: (408) 283-7487
Debbie Racine, Principal

Staff Directory

Office: 874-3600		Attendance Number: 874-3610 Fax Number: 253-7487	
Name/Biography:	Room:	e-Mail:	Extension:
Office Staff			
Mrs. Debbie Baccino	Office	dbaccino@moreland.k12.ca.us	3605
Mrs. Sherri Vasquez	Office	svasquez@moreland.k12.ca.us	3612
Mrs. Debbie Anderson	Office	danderson@moreland.k12.ca.us	3601
Mrs. Claudia Bonilla	Office	cbonilla@moreland.k12.ca.us	3608
Mrs. Becky Marini	Office	bmarini@moreland.k12.ca.us	3602
Classroom Teachers			Class Page:
K/1 Classrooms			
Mrs. Beverly Pressman	1	bpressman@moreland.k12.ca.us	3621
Ms. Betsy Cavagnaro	2	bcavagnaro@moreland.k12.ca.us	3627
Mrs. Elmi Augustine	15	eaugustine@moreland.k12.ca.us	3635
Ms. Arlene Dawes	14	adawes@moreland.k12.ca.us	3634
Ms. Amy Cardinale	5	ahowell@moreland.k12.ca.us	3642
Mrs. Amy Richardson	18	arichardson@moreland.k12.ca.us	3638
Mrs. Jennifer Lambert	4	jlambert@moreland.k12.ca.us	3624
Mrs. Yvonne Stanbury	18	vstanbury@moreland.k12.ca.us	3638
Mrs. Lauren Prehn	17	lprehn@moreland.k12.ca.us	3623
Ms. Lori Smith	16	lsmith-demers@moreland.k12.ca.us	3636
Ms. Allievn Brengard	3	abrengard@moreland.k12.ca.us	3637
Ms. Kelli Taketa	13	ktaketa@moreland.k12.ca.us	3633
2/3 Classrooms			
Ms. Kate Miller	6	kmiller@moreland.k12.ca.us	3640
Mrs. Cindy Alldridge	20	callldridge@moreland.k12.ca.us	3361
Ms. Becky Elias	21	relias@moreland.k12.ca.us	3362
Ms. Karen Harada	32	kharada@moreland.k12.ca.us	3371
Mrs. Susan Lavelle	33	slavelle@moreland.k12.ca.us	3370
Mr. William Menkin	7	wmenkin@moreland.k12.ca.us	3626
Ms. Cherie Beers	12	cheers@moreland.k12.ca.us	3625
Mrs. Charlene Uenaka	35	cuenaka@moreland.k12.ca.us	3368
Mrs. Kim Veil	34	kveil@moreland.k12.ca.us	3369
Ms. Katie Morse	11	kmorse@moreland.k12.ca.us	3631
4th and 5th Grade			
Mrs. Kathy Claus	30	kclaus@moreland.k12.ca.us	3373
Mrs. Diane Dinardi	31	ddinardi@moreland.k12.ca.us	3372
Mrs. Helen Shamble	24	hshamble@moreland.k12.ca.us	3365
Mr. Steve Hansen	28	shansen@moreland.k12.ca.us	3375
Ms. Jennifer Schutz	25	jschutz@moreland.k12.ca.us	3366
Mrs. Michelle Sutton	29	msutton@moreland.k12.ca.us	3374
Special Day Classes			
Ms. Hanna Almeda	8	halmada@moreland.k12.ca.us	3628
Ms. Emily Russell	8		3628
Ms. Sylvia Wineinger	8		3628
Ms. Paula Hughes	36	phughes@moreland.k12.ca.us	3367
Ms. Michelle Fischer	36		3367
Ms. Prema Ravishanker	36		3367

Mr. Bill Pierce	23	bpierce@moreland.k12.ca.us	3364	
Ms. Farima Kaykha	23		3364	
Ms. JoAnna LaMar	23		3364	
Ms. Daria Pruitt	23		3364	
Support Staff				
Mr. Gabe Sandoval	Campus	gsandoval@moreland.k12.ca.us	3611	
Martina Tapia				
YMCA	On-Site		3376, 3377	
Mrs. Kathy Holst	Cafeteria	kholst@moreland.k12.ca.us	3609	
Mrs. Barbara Wong	Multi Use Room	bwong@moreland.k12.ca.us		
Mrs. Stacy Legere	Media Center	slegere@moreland.k12.ca.us	3615	
Mr. John Lakstigala	Castro MU	jlakstigala@moreland.k12.ca.us	2915	
Mrs. Linda Covington	Cafeteria	lcovington@moreland.k12.ca.us		
Ms. Erinn Edmonds	Media Center	eedmonds@moreland.k12.ca.us	3617	
Mr. Tim Hogan	10A	thogan@moreland.k12.ca.us	3613	
Mrs. Debbie Turnbull	10A	dturnbull@moreland.k12.ca.us	3629	
Ms. Claudia Paige	10B	cpaige@moreland.k12.ca.us	3641	
Activity Rooms				
Media Center: Mrs. Stacy Legere			3615	
Computer Lab in the Media Center			3618	
Computer Lab: Room 22			3363	
Staff Lunch Room			3620	
Staff Prep Room: Media Center			3616	

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**Discovery Charter School Planned Compliance
with the Public Records Act**

(as required by County Board Administrative Regulations 6230
Section 2.0 subdivision (d)).

Public Records Act¹:

The Discovery Charter School recognizes and shall comply with its requirements under the Public Records Act, California Government Code Section 6251, et. seq., including but not limited to the requirement to respond to requests for public records within 10 days and provide public records within a reasonable amount of time thereafter as required by law. Additionally, the Discovery Charter School recognizes that Education Code Section 47604.3 requires the Charter School to promptly respond to all inquiries, including, but not limited to, inquiries regarding its financial records from the chartering authority (i.e., County Board of Education), and the Superintendent of Public Instruction. Discovery Charter School fully intends to comply with this section as it relates to all records of the approved charter. However, it should be noted that the Charter School is cognizant of its responsibility to comply with the Family Educational Rights and Privacy Act (FERPA) under federal law (20 U.S.C.A.1232g) and other privacy laws related to personnel records (i.e., confidential medical information, etc.).

¹ Administrative Regulation Section 6230, Section 2.0(d) states as follows:

“A description of how the charter school will facilitate the sponsoring agency’s compliance with the Public Records Act.” Petitioner is not entirely clear what the County Board intended by this section. In Board Policy 6230 Section 2.1, the sponsoring agency is defined as the school District that denied the petition. We assume, however, for purposes of appeal that the County Board would like a description of how the charter school intends to comply with the Public Records Act. As such, the following description is intended to outline how the charter school will comply with the Public Records Act.

**Discovery Charter School Planned Compliance
with the Brown Act**

(as required by County Board Administrative Regulations 6230
Section 2.0 subdivision (e)).

The Brown Act¹

Discovery Charter School, as a parent and community driven effort values the input from parents and community members regarding the educational design and operation of the school. Discovery Charter School is committed to compliance with all applicable state and federal laws. Discovery Charter School shall comply with all requirements of the Brown Act, Government Code 54950, et. seq., including, but not limited to the notice requirements, the open meeting requirements, and all requirements for giving the public an opportunity to be heard.

Furthermore, Discovery Charter School is committed to compliance with all state and federal laws preventing conflicts of interest.

¹ "A description of how the charter school will facilitate the sponsoring agency's compliance with the Brown Act." Petitioner is not entirely clear what the County Board intended by this section. In Board Policy 6230 Section 2.1, the sponsoring agency is defined as the school district that denied the petition. We assume, however, for purposes of appeal that the County Board would like a description of how the Charter School intends to comply with the Brown Act. As such, the following description is intended to outline how the Charter School will comply with the Brown Act.

MORELAND SCHOOL DISTRICT
4711 Campbell Avenue
San Jose, CA 95130

GOVERNING BOARD MINUTES – REGULAR MEETING

November 22, 2005

Castro Middle School – MU Room
4600 Student Lane
San Jose, CA 95130

**MEETING
LOCATIION**

Lori Booroojian, Taleen Nazarian, Tim Cassell, Jim Macfarlane,
Robert Varich

**MEMBERS
PRESENT**

Leslie M. Adelson, Ed.D., Superintendent
Cecelia English, Ed.D., Assistant Superintendent Instructional
Services
Elizabeth McManus, Assistant Superintendent, Business and
Support Services
Caroline Hastings, Administrative Assistant to the Superintendent

STAFF PRESENT

Board President Lori Booroojian called the meeting to order at
5:30 p.m.

**ITEM 1 –
CALL TO ORDER**

The Governing Board convened in closed session to discuss the
following item:

**ITEM 2 –
CLOSED SESSION**

2.1 Collective Bargaining with Certificated and Classified
Employees (Govt. Code §3549.1)

Closed Session: 5:30 p.m. – 6:30 p.m.

The Board reconvened in regular session at 6:40 p.m. followed
by the flag salute.

**ITEM 3 –
REGULAR
SESSION/
FLAG SALUTE**

Upon motion of Jim Macfarlane, seconded by Tim Cassell, the
Board unanimously approved the order of business.

**ITEM 4 –
APPROVAL OF
AGENDA**

Board President Booroojian announced that no action was taken
in closed session.

**ITEM 5 –
NO ACTION
TAKEN IN
CLOSED SESSION**

Board member Robert Varich reported that he had an opportunity
to witness and see the results of a neighborhood cleanup at
Country Lane done by Senior Citizens in the neighborhood. They
enlisted the help of Girl and Boy Scouts. Mr. Varich indicated that

**ITEM 6 –
COMMUNICA-
TIONS**

the campus looked better and he appreciated the cooperation of the neighborhood. Last week cleanup work was done at Rogers. He expressed his appreciation for the involvement of the community in this effort also. People and companies involved were John Talbert of Westgate Church, Rotten Robbie, and Earth Tech Landscape Company. One hundred fifty people helped out over two days on the campus.

**BOARD MEMBER
VARICH**

Board member Taleen Nazarian announced her resignation from the Board effective December 7 due to family responsibilities. Mrs. Nazarian commended Dr. Adelson, Cabinet members and members of the community for the work they have done throughout the last five years.

**BD. MEMBER
NAZARIAN
ANNOUNCED HER
RESIGNATION**

Board President Lori Booroojian thanked Mrs. Nazarian for her five years on the Board. She stated that it is with regret that the Board accepts Mrs. Nazarian's resignation. The resignation will be announced publicly next week with an article in the newspaper as well as an article in the school newsletters that there will be an opening on the Board. Applications will be due January 6; interviews will be conducted on January 10, and the Board will expect to seat the new Board member at the January 26 Board Meeting.

**BOARD
PRESIDENT
BOOROOJIAN**

Dr. Adelson announced that Rogers teacher Dawn Lavond has been selected as a nominee for the California League of Middle Schools "Educator of the Year". He stated that the District is very proud of her. Dawn will be honored at a dinner in December. Mrs. Booroojian stated that she had the good fortune to have Mrs. Lavond as a teacher for her son. She indicated that Mrs. Lavond is one of the most enthusiastic individuals and teachers that she has known. She seconded the recognition of Mrs. Lavond.

**DR. ADELSON –
DAWN LAVOND
CLMS NOMINEE
FOR "EDUCATOR
OF THE YEAR"**

Janine Payton, President of MEF presented the District with a check in the amount of \$91,904 for the District's instrumental music program. Dr. Adelson recognized Carol Walter for her work in raising funds for the music program. Mrs. Walter stated that the money raised came from the whole community—parents and MEF. MEF needs \$140,000 for next year and so far they only have \$14,000. A lot more money is needed to make the music program happen. On behalf of the Board, Mrs. Booroojian extended her appreciation to the community for their support of the music program. She indicated that it is only through their efforts that the district has been able to provide this program.

**JANINE PAYTON,
MEF PRES.,
PRESENTS
DISTRICT WITH
CHECK FOR
MUSIC PROGRAM**

Dr. Adelson reported that Mrs. Nazarian and Mrs. Booroojian, along with Dr. Cecelia English, Liz McManus and Dr. Jamal Splane

**DR. ADELSON –
BOARD POLICIES
UPDATED**

and himself, all worked together with a representative from the California School Boards Association to update the district's policy manual. They went through every Board policy and regulation. Dr. Adelson stated that it will take six to eight weeks for revised policies and regulations to come back to the district in draft form. Every quarter from now on, the Board will be getting Board policy updates.

Dr. Adelson announced that he and Mrs. Booroojian had been invited to participate in the CSBA Annual Conference in December to talk about the Cornerstone Program here in Moreland. They will be doing a two hour presentation with County Superintendent Colleen Wilcox.

Another celebration will take place at the CSBA conference where Mrs. Booroojian will be recognized for the completion of the CSBA Master's in Governance Program along with other graduates of the Master's program.

Dr. Adelson announced that congratulations are in order for Linda Covington, Anderson Village staff member, and Jamie Bretz, Payne teacher, who have obtained their National Board Certification.

Dr. Adelson indicated the he would be asking both Assistant Superintendents to do brief updates on what they are doing in their divisions. Mrs. McManus mentioned the work being done on the preschool facilities and the facility updates—replacement of windows, kitchen updates, etc., being done at the schools. She indicated that portables are being placed on the school sites for the extended day projects. The District Office is complete with landscaping being finished within the next three weeks. EDS staff will be looking at the final modernization design and she will be working with the Rogers staff on the gym. Computers have been installed at each of the six elementary schools. The auditors have completed the preliminary audit and will be back in December or early January. She is looking at the numbers for the First Interim Report.

Dr. English stated that the Instructional Services Department is working on the English Language Learners Program and other award winning programs to determine the strengths and weaknesses of the district's programs so Moreland can have a better program next year. The staff has been taking data analysis classes so the data can better drive the district programs at the schools. They are also developing a five-year training and implementation improvement program for closing the achievement gap and meeting the needs of all of our students. Developing

**PARTICIPATION
IN CSBA ANNUAL
CONFERENCE**

**BOARD PRES.
BOOROOJIAN TO
BE HONORED AT
CSBA CONF.**

**TEACHERS RE-
CEIVING
NATIONAL
BOARD
CERTIFICATION**

**ITEM 7 –
REPORTS**

**BUSINESS
SERVICES**

**INSTRUCTIONAL
SERVICES**

study teams which will be ongoing for the next five years—began training on professional learning communities; selecting school improvement teams, i.e., design teams at each school; training and Moreland School District implementation of instructional methods. This work will be ongoing for the next five years.

There was no unfinished business.

**ITEM 8 –
NO UNFIN. BUS.**

Dr. Adelson presented a brief introduction on the Charter Petition and introduced the district's legal counsel Mike Whilden of Lozano Smith. Following his introduction, Mrs. Booroojian invited David Givens, President of the Discovery Charter School to respond to Dr. Adelson's recommendation. Mr. Givens announced that the Charter's legal counsel Lisa Corr would be responding to the district's report on behalf of the Charter. Following Ms. Corr's response to the district's report, Mike Whilden presented the district's response to the Charter's attorney.

**ITEM 9 – NEW
BUSINESS**

**ITEM 9.1 –
DISCOVERY
CHARTER
SCHOOL
PETITION**

Public comments were taken from the floor with 22 people asking to be heard. Each speaker was allotted two minutes. Following public comments Board members offered their comments.

At 9:15 p.m. the meeting was recessed to allow both groups to confer. The meeting was reconvened at 9:35 p.m.

**MEETING
RECESSED AND
RECONVENED**

A motion was made by Tim Cassell, seconded by Lori Booroojian, to extend the petition process by two weeks to allow the petitioners to make changes without penalty of resubmission. Upon a 2-3 vote, the motion did not pass. Voting - Ayes: Cassell, Booroojian
Noes: Varich, Nazarian, Macfarlane.

**MOTION FOR
EXTENSION
DENIED**

A motion was made by Jim Macfarlane and seconded by Taleen Nazarian to adopt the Superintendent's findings of fact as presented and deny the Discovery Charter School petition. Upon a 3-2 vote, the petition was denied. Voting – Ayes: Nazarian, Varich, Macfarlane Noes: Booroojian, Cassell.

**DISCOVERY
CHARTER
SCHOOL
PETITION DENIED**

Upon motion of Robert Varich, seconded by Jim Macfarlane, the Board unanimously set the date of December 6, 2005 for its annual Organizational Meeting. The primary purpose of the meeting will be to elect officers for the coming year.

**ITEM 9.2 –
SET DATE FOR
BOARD
ORGANIZA-
TIONAL MEETING**

Upon motion of Robert Varich, seconded by Taleen Nazarian, the Board unanimously voted for Steve Glickman to serve on the County Committee on School District Organization representing District 1.

**ITEM 9.3 –
VOTED FOR
CANDID. FOR CO.
COMM.**

Dr. Adelson presented the District's Initial Proposal for Negotiations with the Classified Employees Association (MCSEA) Chapter 198. A public hearing will be held on this proposal at the December 6, 2005 Board Meeting

**ITEM 9.4 –
DISTRICT'S
INITIAL
PROPOSAL FOR
NEGOTIATIONS
WITH MCSEA**

Upon motion of Robert Varich, seconded by Jim Macfarlane, the Board voted to approve the proposed new job descriptions for Bilingual School Secretary, Bilingual Office Assistant II and Utility Worker. Voting - Ayes: Varich, Nazarian, Macfarlane; No: Cassell, Booroojian.

**ITEM 9.5 –
APPROVED JOB
DESCRIPTIONS
FOR: BILINGUAL
SCHOOL SECTY.,
BILINGUAL
OFFICE ASSIST.
II & UTILITY
WORKER**

Upon motion of Tim Cassell, seconded by Jim Macfarlane, the Board unanimously approved the following consent agenda items:

**ITEM 10 –
CONSENT
AGENDA**

Minutes of November 1, 2005 Regular Board Meeting.

**ITEM 10.1 –
APPROVED
MINUTES OF
11/1/05 REG. BD.
MEETING**

Certificated Personnel Items –

Approved \$127/day for 2 days for new teacher training: Scott Adamson, Robert Burgner, Lauren Constanzo, Daniela Crabill, Kimberly Fanucchi, Karen Flynn, Cheri Johnson, Grace Kim, Margaret Kondo, Jennifer Lambert, David Leggitt, Martha Levine, Darren McDonald, Michelle Mandarino, Mary Jane O'Marah, Claudia Paige, Tom Paramo, Richard Plough, Kristin Prindle, Kelly Ruona, Thomas Saidak, Seema Salgaonkar, Mark Schoenberg, Denise Stuart, Kathryn Tito, Breigh Zack, Chelsea Zea.

**ITEM 10.2 –
CERTIFICATED &
CLASSIFIED
PERSONNEL
ITEMS**

**APPROVED
STIPEND/EXTRA
DUTY PAY**

Amanda Gurtler, Elizabeth Cavagnaro, moved from Column I to Column II, effective November 1, 2005; Claudia Paige moved from Step 15 to Step 16, effective November 1, 2005 (proof of prior service submitted); Constance Reak \$24/hour for 5 hrs./week for Home and Hospital student, effective October 5, 2005; Gail Kilbourn moved from Column III to Column IV, effective September 1, 2005; Destiny Laczkowski, add stipend of \$2034 for Master's Degree, effective February 1, 2005; Claudia

Ott, Tracy Uranga, \$100/day for 3 days for new student orientation for middle schools; Becki Kriegi, \$24/hour for 13.5 hrs./week for Chip Tutor, effective October 11, 2005; Elaine Heckman, add \$500 stipend for extra credential, effective February 1, 2004.

Classified Personnel Items:

Approved employment of Maureen Quinn, Food Service Worker I, Castro Middle School, 3 hrs./day on the 180 day calendar, effective November 8, 2005.

Approved Additional Employment: Man-Ting Liao, Food Service Worker I, adding 1.75 hrs./day, Latimer School, effective November 14, 2005.

Approved Transfer of: Joan Hildreth, ELL Tutor, transferred to Instructional Assistant, State Funded Pre-School, 6.5 hrs./day on the 180 day calendar, effective November 16, 2005; Amy Bjornstad, Instructional Assistant, Special Education, transferred to Latimer School with an increase in hours to 5.5 hrs./day on the 180 day calendar, effective November 1, 2005; Man-Ting Liao, Food Service Worker I, transferred to Castro Middle School, effective November 14, 2005.

Approved Limited Term Assignments: Norma Fuerte, up to 15 hours for translation services for Pre-School parent conferences, effective November 18-22, 2005; Lucy Rios, Instructional Assistant in the CBET adult class, up to 9 hours/week effective September 21, 2005-June 8, 2006; Oralia Alvarado, up to 10 hours total for child care during school events at Anderson Village, effective October 26, 2005-June 8, 2006; Katherine Heinzmann, Homework Center Tutor, up to 7 hrs./week, Latimer School, effective November 8, 2005-June 9, 2006; Maria Sasaki, Instructional Assistant, Special Education, up to 20.5 hrs./week for ABA services, effective October 1, 2005-June 16, 2006; Paul Tandoc, Instructional Assistant, Special Education, up to 22.5 hrs./week for ABA services, effective November 1, 2005-June 16, 2006; Ashley Green, Instructional Assistant, Special Education up to 27.5 hrs./week for ABA services, effective November 1, 2005-June 16, 2006; Danielle Lehner, Instructional Assistant, Special Education, up to 12 hrs./week for ABA services, effective November 1, 2005-June 16, 2006; Rosemarie Carothers, Kathy Goldberger, Homework Center Tutors, Latimer School, up to 8 hrs./week, effective October 17, 2005-June 2, 2006; Emily Russell, Michelle Fischer, Instructional Assistants, Special Education, up to 6 hrs./week for ABA services, effective October 1, 2005-June 30, 2006.

**CLASSIFIED
PERSONNEL
ITEMS –
APPROVED
EMPLOYMENT**

**APPROVED
ADDITIONAL
EMPLOYMENT**

**APPROVED
TRANSFERS**

**APPROVED
LIMITED TERM
ASSIGNMENTS**

Approved Assignment Adjustment for: Patricia Degraffinreadt, ELL Tutor, split assignment as 1 hr./day at Castro Middle School and 3 hrs./day at Rogers Middle School, effective November 4, 2005; Veronica Gonzales, ELL Tutor, transferred to Anderson Village, effective November 4, 2005; Trinh Yen, ELL Tutor, split assignment as 2 hr./day at Baker School and 1 hr./day at Payne School, effective November 4, 2005; Joyce Chu, ELL Tutor, split assignment as 1 hr./day at Country Lane School and 2 hrs./day at Latimer School effective November 4, 2005; Andrea Wilkins, Activity Leader, Latimer School, increase hours to 4.3 hrs./day on the 204 day calendar, effective November 1, 2005; Elizabeth Hildreth, Activity Leader, Baker School, decrease hours to 5.1 hr./day on the 204 day calendar, effective October 31, 2005; Grace Villarreal, Food Service Worker I, increase hours to 6 hrs./day on the 180 day calendar, effective November 7, 2005; Bong Cha, Computer Support Specialist, increase hours to 4.75 hrs./day, effective November 1, 2005-June 30, 2006.

**APPROVED
ASSIGNMENT
ADJUSTMENT**

Approved Extra Duty for: Arturo DeLeon, Custodian, up to 18 hours custodial support for weekend field use, effective October 29-30, 2005; Martina Tapia, Custodian, up to 18 hours custodial support for weekend field use, effective November 5-6, 2005; Matt Sredanovich, Custodian, up to 18 hours custodial support for weekend field use, effective November 12-13, 2005.

**APPROVED
EXTRA DUTY**

Accepted Resignation of: Brandon Hoshiko, Instructional Assistant, Special Education, effective November 15, 2005; Bong Cha, Computer Support Specialist, effective December 2, 2005.

**ACCEPTED
RESIGNATIONS**

Approved Release from Probation: Instructional Assistant, Special Education, effective October 31, 2005.

**APPROVED
RELEASE FROM
PROBATION**

Denied Leave of Absence to: Ashwini Bodapati, Instructional Assistant, Special Education, requesting an unpaid leave of absence, effective November 14-December 31, 2005.

**DENIED LEAVE
OF ABSENCE**

Approved Contract with: Dennis Oda – Business Office, Technology Support; Web of Life – Field School, Latimer Science Camp.

**ITEM 10.3 -
APPROVED
CONTRACTS**

Approved Consultant Contracts with: Hesperia Institute for Excel, Addendum to original contract; Pediatric Therapy Services, Consultant for Student Services; Pediatric Therapy Services, Addendum to previous Contract; Young Rembrandts – D Vinhquan, Consultant – Enrichment Program; Mad Science of the Bay Area, School House Sports & Dance, Academic Chess,

**ITEM 10.4 -
APPROVED
CONSULTANT
CONTRACTS**

Recreation Plus, Consultants – Enrichment Programs;
Recreation Plus, Consultant – Extended Care Program.

Declared Focus LP340B Projector at Country Lane School as surplus.

ITEM 10.5 –
DECLARED
EQUIP. SURPLUS

Renewal of Amended State Preschool Contract Year 2005-2006.

ITEM 10.6 –
RENEWAL OF
AMENDED STATE
PRESCHOOL
CONTRACT YEAR
2005-2006

No Board Discussion Topic.

ITEM 11 – NO
BOARD
DISCUSSION
TOPIC

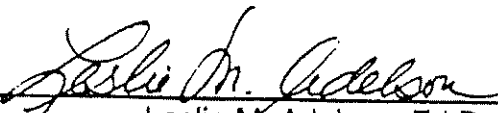
- Board Organizational Meeting
- Enrollment Report
- Board Policy 4210 – Personnel Commission
- January 10 – Special Board Meeting to Interview Board Candidates
- January 31 - Special Board Meeting for Discussion of Updating Board Governance Manual

ITEM 12 –
FUTURE AGENDA
ITEMS


There being no further business, the meeting was adjourned at 10:35 p.m.

ITEM 13 -
ADJOURNMENT

FOR THE BOARD OF TRUSTEES

By 
Leslie M. Adelson, Ed.D., Secretary


Taleen Nazarian, Clerk

Minutes by 
Caroline Hastings

Attachment:

- 1) District's Initial Proposal for Negotiations with MCSEA

Moreland School District

To: Board of Trustees

From: Elizabeth McManus, Assistant Superintendent Business and Support Services

Date: November 22, 2005

Subject: Sunshine of Initial Proposal from the District for the CSEA Bargaining Unit for 2005-06

Information

The goal of the Moreland School District is to negotiate a successful contract with CSEA that serves the best interests of our students and promotes quality education programs and services and respects and rewards the efforts of our employees whose contributions are essential for student achievements and success.

Our interests include:


1. Enhancing the ability of the Moreland School District to retain our commitment to deliver quality, exceptional service with innovation and excellence
2. Continuing the integrity and respect we have toward on another
3. Continuing healthy relationships through collaboration and communications
4. Continuing an environment which promotes creativity, motivation, passion and courage
5. Continuing the manner in which we encourage and nurture our students now and those we will serve in the future
6. Empowering staff and students to excel
7. Continuing to operate in a professional manner
8. Fostering positive relationships with schools, students and families
9. Continuing the cooperative manner in which we work together to address issues, develop information and suggest solutions through a collaborative team approach

Initial Bargaining Proposal

The District wishes to negotiate the following:

1. Total Compensation
2. Evaluation
3. Sick Leave
4. Extra Duty

**MORELAND SCHOOL DISTRICT
OFFICE OF THE SUPERINTENDENT**

TO: BOARD OF EDUCATION
FROM: LES ADELSON, SUPERINTENDENT 
DATE: NOVEMBER 21, 2005

**SUPERINTENDENT'S REPORT AND RECOMMENDATION
REGARDING
DISCOVERY CHARTER SCHOOL PETITION**

INTRODUCTION

Petitioners seeking to establish the Discovery Charter School submitted a charter petition to the District pursuant to Education Code Section 47605 on September 26, 2005. The District Board of Trustees held a hearing to hear from the petitioners and consider the level of support for such a charter school on October 19, 2005. The petition was reviewed by the District administration, as well as legal counsel, to determine whether the petition complied with the applicable law governing charter schools. This report detailing serious deficiencies in the charter petition is now presented to the Board at this meeting of November 22, 2005, with the recommendation that the charter petition be denied for the reasons set forth below.

Recommended Grounds for Denying Charter Petition

It is the District administration's recommendation that the Board deny the charter petition on the following grounds pursuant to Education Code Section 47605(b):

- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition;

In order to deny the charter petition on these grounds, Education Code Section 47605(b) requires the Board of Trustees to make "written factual findings, specific to the particular petition, setting forth specific facts to support one or more" of the grounds for denying the charter. Staff therefore recommends the Board adopt as its own findings the facts contained in this report.

Although not expressly identified as a ground for denial of a charter petition, it is implicit under charter school law that a school district may deny a charter petition if it contains unlawful provisions. In addition, the legal violations set forth below also support denial of the petition on the grounds that the charter school petitioners are demonstrably unlikely to successfully implement the program set forth in the petition in that (1) the charter school could be vulnerable

to lawsuits, including taxpayer actions challenging public school dollars being spent illegally under the charter, actions by students, parents or concerned citizens to enforce state and federal constitutional rights, petitions for writs of mandate to require that the charter school comply with the applicable laws, actions for injunctions to prevent the charter school from operating in violation of law, and actions for damages by anyone harmed by the charter's unlawful actions; and (2) due to the charter petitioners' apparent lack of knowledge and/or concern regarding state and federal legal mandates, as demonstrated below, there is a high potential for future violations of law.

The specific deficiencies set forth below are organized and presented under the following headings:

1. The Charter School's Mandatory Parent Labor Requirement Constitutes Unlawful Tuition
2. The Charter School's Student Discipline Rules Would Violate Student Rights
 - A. Student Discipline Policies Unlawfully Allow for Punishment of Students Without Providing Advance Notice of What Conduct is Prohibited
 - B. Charter School Would Unlawfully Punish Student For Conduct of Parents
 - C. Charter School Would Unlawfully Punish Students for Poor Work Habits
3. The Charter Petition Seeks to Unlawfully Handicap the District's Oversight Powers and Responsibilities
 - A. Petition Unlawfully Impairs District Right to Inspect Charter School
 - B. Petition's Dispute Resolution Proposal Unlawfully Impairs Exercise of District Oversight Responsibilities
4. The Charter School Is Unlikely To Achieve Racial and Ethnic Balance Reflective of the District General Population Based Upon Recruitment To Date
5. The Petition Repeatedly Misstates and Misapplies Charter School Law
 - A. Petition Avoids Application of Conflict of Interest Laws to Its Board Members
 - B. Petition Authorizes Meetings in Violation of the Brown Act
 - C. Charter School Misstates Law on Oversight Fee Attempting to Shortchange District \$50,000 Per Year
 - D. Petition Asserts "Right" to Facilities Contrary to Proposition 39
 - E. In the Event of Closure, the Charter School Retains Authority to Transfer Assets Out of District

Given the substantial liability exposure resulting from the legally questionable charter provisions discussed below, as well as the potential future violations of law, the charter school appears to be demonstrably unlikely to succeed.

1. The Charter School's Mandatory Parent Labor Requirement Constitutes Unlawful Tuition.

The Charter School Act states that charter schools "shall not charge tuition." (Educ. Code §47605.) Because a charter school is a public school, it is also prevented from charging tuition by the California Constitution, Article XI, section 5.

The petition, however, requires that parents of charter school students perform a specified number of hours to work at the charter school. The parent labor requirement is described as a "workday" in the charter school materials (Petition Attachments, pg. 61), and is considered a fundamental characteristic of the charter school (the proposed charter school was originally named "Parent Participation Charter School" (Petition Attachments, pg. 71.). As for "tuition", it is broadly understood as the contribution of something of value to a school as consideration for enrollment. Just as the contribution of cash or valuable goods would constitute tuition, so would the mandatory contribution of labor. In fact, among private schools, it is not uncommon for parents to be given an option of performing a certain number of hours of labor at school or paying a specified amount of money in lieu of the work. A court would have no difficulty similarly finding that the required contribution of labor is equivalent to the payment of money for tuition.

The Charter School argues that because enrollment at the charter school is voluntary, parents do not have to enroll their children in the school if they do not want to perform the specified hours of labor. The California Supreme Court, however, rejected analogous argument attempting to evade the California's Constitution's free school requirement. In *Hartzell v. Connell* (1984) 35 Cal.3d 899, the defendants argued that charging fees for voluntary extracurricular activities was legal because students were not forced to participate in the extracurricular activities, and therefore only had to pay if they choose to participate. The Court firmly rejected this argument, holding the fee to be unconstitutional.

The charter school's argument is similarly misplaced—it is not free to charge tuition simply because enrollment in a charter school is voluntary. The fallacy of such an argument can be seen if the logic were applied to school districts in general. If a district has open enrollment among its schools, or perhaps voluntary magnet schools, it could not create one school where tuition, in the form of money or mandatory labor, was required as a condition of enrollment on the grounds that such enrollment was voluntary as students could choose to attend other schools in the district. Such a practice would not only be unconstitutional but reverse the decades-long movement toward equalization of California's public schools by establishing wealthy schools for those students whose parents have time and money to contribute to a school, and poorer schools for everyone else.

2. The Charter School's Student Discipline Rules Would Violate Student Rights.

Charter schools are not required to follow the Education Code in disciplining students, but they are required to comply with the due process rights of students under the federal and state constitutions. Suspension or expulsion of students for misconduct is a common and necessary

part of the policies of all schools. However, the procedures must be drafted with specificity to provide clear notice of the causes for discipline and well-developed procedures that meet the requirements of law. The due process rights of students have been clearly spelled out by the courts, and failure to safeguard those rights by adopting appropriate procedures may subject individual school board members to liability for constitutional violations. (*Goss v. Lopez* (1975) 419 U.S. 565; *Wood v. Strickland* (1975) 421 U.S. 921.) The charter proposal should provide at least the levels of constitutional due process deemed minimally necessary by the United States Supreme Court in *Goss v. Lopez*. Suspension and expulsion procedures for students with disabilities must also be included which meet the requirements of federal law. (*Honig v. Doe* (1988) 484 U.S. 305; 20 U.S.C. § 1415(k); 34 C.F.R. §§ 300.519-300.529.)

A. Student Discipline Policies Unlawfully Allow for Punishment of Students Without Providing Advance Notice of What Conduct is Prohibited

A public school's discipline policies must clearly spell out the causes for discipline, with specificity. Here, the petition identifies the specific misconduct which would result in discipline, borrowing from the grounds set forth in Education Code sections 48900 *et seq.* (Petition Attachment, pgs. 115-117.) The petition, however, then adds an unlawful catch-all which does not exist in the Education Code and violates basic due process by not providing adequate notice to students of what misconduct is punishable. The petition states:

The above list is not exhaustive and, depending on the offense, a pupil may be suspended or expelled for misconduct not specified above.

It is a fundamental tenet of due process that a person be advised in advance of what conduct may result in discipline, so that they may avoid engaging in the misconduct, and thereby avoid discipline. The petition, with this language, creates the potential for a kafka-esque scenario whereby students find out after the fact that what they did was prohibited and thereby subject to discipline. While it is tempting for a school to reserve the right to deem conduct as being wrong in hindsight, such an *ex post facto* practice is illegal in a public school.

B. Charter School Would Unlawfully Punish Student For Conduct of Parents

The petition's mandatory parent labor requirements make clear that failure to meet the duties will result in a student not being allowed to attend the charter school. While, as addressed elsewhere in this report, such a requirement is an unlawful imposition of tuition, it also would result in unlawful punishment of students for the acts of their parents. It is clear from the petition that parents who agree to the labor requirement but then fail to follow through will face the consequence of their child being disenrolled either immediately or in following years. Such a practice, however, constitutes an unlawful punishment of a child for the acts of his or her parents.

The Legislature has recognized the importance of parental involvement in charter schools by requiring charters to spell out "the process to be followed by the school to ensure parental involvement." (Educ. Code § 47605, subd. (b)(5)(D).) However, the right to education, as

guaranteed by the California Constitution, belong to the child, not the parent. Children have independent rights which courts will safeguard even in the face of contrary parental wishes. (See *Bellotti v. Baird* (1979) 443 U.S. 622; *Parham v. J.R.* (1979) 442 U.S. 584.) A child wishing to take advantage of the opportunities promised in the proposed charter cannot be denied admission merely because the parent is unable or unwilling to meet the school's parent participation requirements.

C. Charter School Would Unlawfully Punish Students for Poor Work Habits

The petition states that its student discipline policies will address, among other misconduct, a student's "work habits." (Petition, pg. 37.) A charter school, however, may not lawfully discipline or expel students for academic reasons, including whether a student has good "work habits." In our public school system, the appropriate consequence for poor academic performance or work habits is poor grades—not suspension, expulsion or disenrollment from school.

Further, student behaviors such as poor attention in class or failure to complete assignments could, in fact, be red flags for some underlying condition. Discipline for this type of infraction could give rise to liability under Section 504 of the Rehabilitation Act of 1973 (Section 504), which prohibits exclusion from participation of, denial of benefits to, or discrimination against, individuals with disabilities on the basis of their disability in federally-assisted programs or activities. In addition, the legislative intent of the charter school law is that preference be given to petitions designed to provide "comprehensive learning experiences" to pupils identified as "academically low achieving." (Educ. Code § 47605, subd. (h).) Discipline or expulsion of such students for problems related to their low achievement could be seen as a *per se* violation of the charter school law itself.

3. The Charter Petition Seeks to Unlawfully Handicap the District's Oversight Powers and Responsibilities.

A. Petition Unlawfully Impairs District Right to Inspect Charter School

Education Code section 47607, subdivision (a), states that the District granting the charter "may inspect or observe any part of the charter school at any time." This authority is instrumental for the chartering entity in carrying out its statutory and constitutional oversight functions. The petition, however, attempts to handicap the District by requiring three working days notice prior to any inspection or observation of the charter school. (Petition, pg. 41.) Thus, if the District receives a complaint that an dangerous and/or illegal condition exists at the charter school, it must wait three business days before entering the charter school campus to investigate. Such a limitation does not exist in law, and is contrary to the District's responsibility for oversight of the charter school.

B. Petition's Dispute Resolution Proposal Unlawfully Impairs Exercise of District Oversight Responsibilities

The dispute resolution process handicaps exercise of the District's constitutional and statutory oversight responsibilities, including revocation of the charter as provided for in Education Code Section 47607. The petition expressly subjects any potential revocation of the charter to a long, drawn-out process of multiple-party meetings and consultations, followed by creation a formal mediation process, completion of that mediation process, then a formal arbitration before a retired judge. (Petition, pg. 33.) In contrast, Education Code Section 47607 requires only that a charter school be given "a reasonable opportunity to cure" any violations, and even that is not required if the violation constitutes a severe and imminent threat to the health and safety of pupils. The statutory revocation process allows a chartering district to fairly yet timely carry out its oversight duties and revoke the charter if cause exists. The petition attempts to weaken this oversight authority, contrary to law.

4. Charter School Is Unlikely To Achieve Racial and Ethnic Balance Reflective of the District General Population Based Upon Recruitment To Date.

Pursuant to Education Code Section 47605(b)(5)(G), the petition at page 19 states that the charter school shall implement a student recruitment strategy to achieve a racial and ethnic balance reflective of the general student population served by the Moreland School District. However, based upon the initial outreach to recruit families "meaningfully interested" in enrolling their children in the charter school, and willing to sign the petition to that effect, it is clear that petitioners are unlikely to successfully implement their goal of racial and ethnic balance.

Moreland School District serves a diverse, multi-ethnic community in which no single race constitutes a majority. The most recent statistics show the largest groups as white (non-Hispanic), comprising 44.3% of students, Hispanic, comprising 23.9% of students, and Asian, comprising 23.8% of students. The petition submitted to the District, however, reveals that petitioners have been unsuccessful in achieving such a balance among their founders and the interested parents they have recruited. The petition signatures included the names of 104 families which currently have children enrolled in the district, and for which ethnic data is available. Of these 104 families, only 10 are Hispanic, constituting 9.6% of families recruited to attend the charter school. Of these families, it appears none are English Language Learners as none of the petition signature pages submitted to the district were translated into Spanish.

At this point, the interested petitioners have a total of 188 children identified as interested in enrolling in the charter school. This is over half of the projected enrollment of 350 students. Thus the charter school has already effectively signed up the majority of its initial enrollment. It appears, however, that the petitioners have completely failed to achieve their statutorily required goal of achieving a balance in race and ethnicity which resembles the actual demographics of the District. The 9.6% Hispanic representation, with apparently 0% English Language Learners, is not close to the district's actual demographics.

Furthermore, at this point in the process the petitioners are limited in how they could remedy the situation. Proposition 209 prevents state entities, such as charter schools, from extending any preferences based upon race or ethnicity. Thus, the charter school could not legally discriminate against the overwhelming number of non-Hispanic families which have already expressed their desire to attend the school. The only constitutionally permissible approach to achieving racial and ethnic diversity (which is still a legally acceptable goal) is through a broad outreach and recruitment program. Unfortunately, petitioners have already effectively completed the majority of their outreach through the petition process. The petitioners would have no motivation to increase the number of interested parents beyond school capacity—and thereby decreasing their chances of being able to attend due to the mandated lottery.

Therefore, it is likely that if the petition were granted, the proposed charter school would serve a student population consisting of approximately 10% Hispanic students, with no English Language Learners, despite the fact this demographic constitutes approximately a quarter of the district-wide population. Such a result would be contrary to the stated goals of the charter petition as well as the State Legislature's intent that charter schools not be a vehicle to segregate out any racial or ethnic groups from a school district's general population.

Finally, the petition's system of enrollment preferences for the children of founders, volunteers, and their siblings ensures that the demographic balance first established will likely continue at the charter school for the foreseeable future.

5. The Petition Repeatedly Misstates and Misapplies Charter School Law.

A. Petition Avoids Application of Conflict of Interest Laws to Its Board Members

The petition avoids application of the State laws governing conflicts of interests for public officials, instead adopting the much less stringent parameters governing nonprofit corporations. (Petition Attachments, pg. 77.) For example, fully one-third of the charter school's board may be financially interested in the Charter School, receiving monetary compensation or profits from transactions benefiting themselves and which are approved by the governing board they sit on.

By contrast, no governing board members of public school districts (or of any other local or state public entities in California) are permitted to be personally financially interested in any transaction approved by the board they sit upon. (Govt. Code § 1090, *et seq.*)

B. Petition Authorizes Meetings in Violation of the Brown Act

The petition authorizes its governing board to conduct meetings in violation of the Brown Act. (Petition Attachments, pg. 77.) For example, the governing board is authorized to conduct meetings outside the State of California (pg. 77), allow telephone participation in a manner contrary to Brown Act procedures (pg. 79), and provide less notice to the public of meetings than is required by the Brown Act (pg. 79).

C. Charter School Misstates Law on Oversight Fee Attempting to Shortchange District \$50,000 Per Year

A charter school is required to compensate its chartering entity for supervisorial expenses incurred by the chartering entity. Subdivision (b) of Education Code Section 47613 sets the charge at up to "3 percent of the revenue of the charter school if the charter school is able to obtain substantially rent free facilities from the chartering agency." The petition's budget assumptions (Petition Attachments, Budget Assumptions, pg. 2), however, argue that because the charter school is seeking district facilities, and has to pay a share of district facilities costs, it does not have to pay the 3% oversight fee. This is not true. If the charter school receives district facilities, it will be obtaining them "substantially rent free" as the facilities charge is not considered rent under charter school law. As a practical matter, the facilities charge often amounts to less than 10% of the fair market rental value of the facilities provided--thus the facilities are obtained "substantially rent free."

The result of the petition's misstatement of applicable law would be that the charter school retains, on average, \$50,000 of funds properly belonging to the District.

D. In the Event of Closure, the Charter School Retains Authority to Transfer Assets Out of District

In the event of charter school closure, the petition gives the governing board of the charter school the power to transfer any remaining assets to any nonprofit educational organization it chooses. (Petition Attachments, pg. 76.) When a charter school closes, it can have hundreds of thousands of dollars of unspent public school funds appropriated for their students. Though these public dollars would have been appropriated for the local charter school students, the charter school retains the option of donating them to organizations which do not serve the local students--thereby resulting in a net loss of public school funding for our students.

E. Petition Asserts "Right" to Facilities Contrary to Proposition 39

Under the Charter School Act of 1992, a charter petition serves as a type of constitution governing the charter school's existence than as a contract negotiated between a charter school and a school district. The key statute governing the petition process, Education Code section 47605, limits the grounds upon which a charter may be denied and does not allow for any type of negotiation over the terms of the charter. Nevertheless, charter schools sometimes attempt to slip into their charter petitions language attempting to impose a mandatory burden on the chartering district.

A district's obligation to share facilities with a charter school is governed by Education Code Section 47614, which codified Proposition 39, and the very detailed implementing regulations. Rather than simply state that the charter school will follow the law and regulations applicable to requesting facilities, the petition asserts that the charter school "reserves the right to obtain use of a facility meeting the following criteria . . ." (Petition Attachments, pg. 122) The charter school presently has no such right to specific facilities and cannot create such a right by declaring it in

its petition. Once the charter school submits its facilities request, the request will be responded to consistent with the law. Whether or not the charter school will be entitled to "a minimum of 19 classrooms" (which amounts to a ratio of 16.5 pupils per classroom) as asserted can only be determined by following the process defined in the regulations—not by the petition's unilateral declaration.