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Grace Kampmeinert and Jakob Brooks act as class managers along with Chloe Moghnieh (not pictured) for their eighth-grade legacy project at Natomas Charter School.

Charting the Next Course

Capital Region educators weigh in on what should change with California's charter school law

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By Sena Christian

Grace Kampmeinert has to fire off a lot of emails before the bell rings, signaling the end of fourth period. The eighth-grader at Natomas Charter School, along with two of her peers, handles quality control for a website of stock media, a seven-month-long legacy project in her technology class. These three students

determine if submitted photographs, short videos and audio clips are good enough for inclusion, and provide feedback on each piece via email.

Kampmeinert is a manager, overseeing production managers and their team advisers.

“It’s a tedious process,” Grace says, “but somebody has to do it.”

Each October, eighth-graders in Natomas Charter School’s Leading Edge Academy identify a problem — in this case, a lack of creative materials in the public domain — and build a solution. Technology teacher Trisha Sanchez handpicks three managers in each of her classes, then steps aside. “My main focus is to teach collaboration and to give them real-world job experience,” she says.

Natomas Charter School was one of the first charter schools in the Sacramento region following the passage of California’s charter school law in 1992. Charters are public, tuition-free schools to which the law gives a wide berth for innovation and flexibility in curriculum, instruction, hiring and management to help meet the diverse needs of students. The law, however, hasn’t gone through much comprehensive reform over the past 27 years, despite some tough lessons learned along the way. With a new governor in office, that may change.

Many of those working within and outside the charter movement across the Capital Region believe the time for a close and careful look at the law has arrived. Over the years, much of the interest in reform has focused on transparency as well as who authorizes these schools and what it means for where they locate.

“It is time for us to take a look again at the charter law and go back to what the original intent of that law was, because we’ve evolved in all these different ways,” says Ting Sun, cofounder and executive director of Natomas Charter School.

CHANGE ALREADY UNDERWAY

After California's law went into effect, the charter school system experienced a double-digit rate of expansion over the next two decades, until the pace of new schools slowed in recent years, according to a report from the California Charter Schools Association. California's roughly 1,300 charter schools enroll about 650,000 students — or 10 percent of the state's public school students.

While charter schools are publicly funded, they're privately managed and exempt from many of the rules, regulations and statutes other public schools must follow. Former Gov. Jerry Brown, a charter advocate, vetoed bills that would have required charters to more closely follow regulations imposed on traditional public schools. In 2018, Brown did sign a ban on for-profit charter schools that goes into effect this July and gives operators a five-year grace period to comply. Critics say the law doesn't go far enough to fix deeper problems within what is widely known as the wild west of California's charter system — out of the state's 1,300-plus charter schools (the exact number fluctuates due to the closing and opening of new schools), only about 35 are impacted.

According to Sun, California's charter school law has been patched up over the years in a manner that doesn't address deeper infrastructure issues. "I feel like we have a little bit of a Winchester Mystery House law right now — 'Let's address this here, and address this here, and we're suspicious this abuse is happening, so let's do this here.' So we've got this kind of crazy patch quilt of legislation around charters."

But a new administration has alarmed many in the movement — both Gov. Gavin Newsom and State Superintendent of Public Instruction Tony Thurmond express skepticism over charter schools. Newsom defeated charter advocate Antonio Villaraigosa and pro-charter groups spent \$34 million trying to get Thurmond's opponent, charter school executive Marshall Tuck, elected. Newsom and Thurmond instead garnered support from teacher unions (most charters are not unionized).

Under the new administration, legislation has been introduced to cap the number of charter schools in California, and another would allow districts to consider the cost of a charter school to the district when deciding whether to approve its petition. Newsom has also tapped Thurmond to lead a task force to study the financial impacts of charter schools.

One bill making charters subject to increased transparency has already been fast-tracked into law under Newsom. To many reform advocates, it makes sense that the first item on the docket involved open meeting and disclosure rules — essentially one of the only issues for which both the charter movement and traditional public school advocates have found common ground. Until Newsom approved Senate Bill 126 in March, charters did not have to comply with the Brown Act, the California Public Records Act or Government Code Section 1090, which prohibits public officials or employees from involvement in contracts in which they have a financial interest. (Gov. Brown vetoed similar bills during his tenure.) The legislation was championed by parties on both sides, including the California Charter Schools Association and the California Teachers Association.

“If there’s tax dollars that go to a public entity, you should be able to have meetings that are subjected to the open meeting laws,” says Placer County Superintendent of Schools Gayle Garbolino-Mojica. “You should not be able to financially benefit under Government Code 1090. And if you have people inquire about how you spend your money or how you operate, you should be required to provide that documentation.”

Many charter operators, including Natomas Charter School, Kairos Public Schools in Vacaville, and Gateway Community Charters in Sacramento and Yolo counties, to name a few, had already voluntarily put policies and systems in place to adhere to these rules.

Cindy Petersen is the superintendent and CEO of Gateway Community Charters, a charter management organization that operates nine schools. She says her organization has followed the rules outlined in SB 126 since its inception. “I think this transparency should apply to charters and charter organizations. We

should have the transparency because we do have the public dollars, and therefore we should be able to transparently show that we don't have a conflict of interest.”

CCSA said in a press release that SB 126 is “a balanced, fair application” of the open government and conflict-of-interest laws, and “makes permanent the transparency and governance practices already followed by the majority of charter schools throughout the state.”

Proponents say increased transparency will help deter financial abuses and allow the public to better understand the inner workings of charter management operations, which are private entities that receive taxpayer money and are run by self-appointed boards. Traditional public schools are run by a school district, which is overseen by elected school board members who appoint the superintendent.

“We've had some abuses — some real egregious abuses — in the past,” Garbolino-Mojica says. She references Tri-Valley Learning Corporation, authorized by the State Board of Education after the Livermore district and Alameda County Office of Education initially denied its request. Tri-Valley ran two schools in Livermore, two in Stockton and one in San Diego. In 2017, Tri-Valley was investigated for alleged conflicts of interest among executives and diverting public funds. Tri-Valley had established a charter management operation through which CEO William Batchelor, a former investment banker, created shell companies “to gain access to public taxpayer facility dollars and purchase property that was converted to private ownership,” according to an audit by the state's Fiscal Crisis and Management Assistance Team.

These purchases were made possible through two exempt bond issuances totaling more than \$67 million. Batchelor was also accused of representing both sides of contracts and lease agreements for his personal benefit — as the seller of buildings and the owner of land purchased by Tri-Valley using public bond money. “So we have private individuals that are profiting off of charter schools,”

Garbolino-Mojica says. Tri-Valley subsequently filed for bankruptcy and closed its schools.

Although many charter advocates support SB 126, they remain wary of several other pieces of restrictive legislation that have been introduced in a climate of heightened tensions from recent teacher strikes and rising pension costs. Teacher unions have accused charters of harming traditional public schools, and school districts express frustration that charters don't have to pay into pension plans like the districts do.

“We've had 16 years of two governors that were fairly supportive, fairly positive and allowed the charter school movement to progress,” Petersen says, noting how both Gov. Brown and Gov. Arnold Schwarzenegger, who served for two terms before him, were supportive of charter schools and vetoed bills that imposed limitations on them. “It is quite a shock after 16 years to see the position change as radically as it has and as quickly as it has.”

WHO SHOULD AUTHORIZE

At the center of much of the turmoil around charter schools — and calls for reform — is the competition for students among charters and traditional schools. This is core to charter schools' intended purpose: A 1998 amendment to California's charter school law describes an intent to “[p]rovide vigorous competition with the public school system to stimulate continual improvements in all public schools.”

Jared Austin, founder and executive director of Kairos Public Schools in Vacaville, sees competition as a positive thing. Founded in 2014, Kairos now has nearly 600 students in transitional kindergarten through eighth grade, with 500 on campus and the rest in its homeschool program. (Its waitlist was 300 students in its first year.)

“I think for schools, in general, competition is good because kids win,” Austin says. “Whether a kid gets into Kairos or they don't, I do believe all schools are

stepping up their game and doing innovative things because they don't want to lose their students. So in a way, [competition has] worked. But I also think it's created a lot of strain with districts and authorizers."

Charters unavoidably draw students from the very school districts they rely upon for authorization. That's a conflict of interest, Austin says. Districts may deny charters because they don't want to lose students and the corresponding per-pupil funding.

"It complicates things," Austin says. "I think it would be better if charters were able to be authorized through city councils or local community colleges, because city councils and local community colleges know the needs of their communities. They know what is needed for scholars to become college and career-ready, but they're also not our competition." (County offices of education and the State Board of Education can also authorize charters if the petition has been denied at the local level.)

Through his role on the State's Advisory Commission on Charter Schools, Austin helps review appeals for petitions denied at the district and county levels, ultimately making a recommendation to the State Board of Education. He's seen the competitive dynamic firsthand. "A school may be trying to do right for the community, and their local district may be in financial hardship or may not be performing well, and [officials with the district] just don't want to see another charter school come in, and will stop a grassroots movement to create change and help students in their community," Austin says.

Sun says her school has a solid partnership with its authorizer, the Natomas Unified School District. "We stayed away from a lot of the contention you hear about, and I think it's because when we started, this school district wasn't even a unified school district — it was a small elementary district," she says. "Our charter school grew up with the school district." Sun, who also serves on the State Board of Education, supports allowing for alternative authorizers.

Petersen, of Gateway Community Charters, suggests large nonprofits, universities and city councils as authorizers. “The reason that’s of interest is they aren’t involved in the local politics, per se,” she says. “One of the oversimplifications that I sometimes use is it’s as if the district is Burger King and I’m McDonald’s, and I have to go ask Burger King to exist. It sets up a very interesting power differential that makes no sense.” Then, she says, the dilemma becomes: Who actually wants this responsibility?

San Juan Unified School District Superintendent Kent Kern, along with other officials from traditional public schools, already questions the ability of the State to adequately vet charter petitions — let alone the other entities that might take over authorization from the districts. There are doubts either entity, hypothetical or not, has the relevant expertise in regulations, instruction, finance and operations to provide oversight. “I believe this could cause bigger problems,” Kern says, “as I am not sure these organizations have the people or appropriate process in place to complete a thorough review of charter applications.”

Kern references a charter application from Paramount Collegiate Academy that San Juan Unified denied in 2014. The operator appealed to the Sacramento County Office of Education, which also denied the application, but the State Board of Education ultimately approved it, and the school opened for the 2015-16 school year. In February 2018, parents received a letter that Paramount would be closing immediately due to financial problems, according to media reports.

“Very little oversight from the State was provided,” Kern says, “and the school closed the doors on its students in the middle of the year, thus causing some real hardship on the students [and] families enrolled.”

Another major item also on the reform wish list: rules relating to location. Currently, site-based charter schools are not required by law to locate within the same geographic area as their authorizing districts. Intended to allow charters the freedom to move beyond bounds — if, say, they need a temporary spot while

building a brick-and-mortar campus within the district, or if the immediate area lacks facility space for a new school — the exception is easy to abuse.

A charter operator, for instance, could seek sponsorship from a small, financially strapped district that lacks space for a school. With the assurance that the school will be located elsewhere, the district approves the petition and then gets 1 percent of the charter school's revenue (or potentially more, should it provide the charter with additional services), without competing for students. "So [an operator] will go to a tiny school district that has a really tiny boundary area and get authorized and say, 'Oh, there's no space for us to locate here,' and then boom, end up in Roseville. Boom, end up in Rocklin," Garbolino-Mojica says.

Meanwhile, neighboring campuses and the local school district must now deal with students leaving to attend this new option, but neither have any say in where or how the charter school operates. Additionally, a small district or one located far away may not be able to provide quality oversight (see sidebar, pg. 55). "I believe when a district outside of the local boundaries authorizes a charter, the level of involvement and oversight is greatly diminished," says Superintendent Kern, of San Juan Unified. "I think the best situation is for districts to authorize charters within their current boundaries."

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**- Cindy Petersen,
superintendent/CEO, Gateway Community Charters**

THE UPSIDE

Since opening in 1993, the Natomas Charter School has grown from 80 pupils to over 1,800 and has become a benchmark for success. Its advertising materials

boast that graduates have a 95 percent acceptance rate to four-year universities and ranks in the top 10 percent of high schools in the nation, by U.S. News & World Report.

Sanchez, the eighth-grade technology teacher, had taught for 14 years in a traditional public school in El Dorado County before moving to Natomas Charter School four years ago. She says the daily 45-minute commute each way was worth it. “I’ve never had a principal as good as I’ve had at Leading Edge,” she says, adding that she is given autonomy to develop her own curriculum. “But I’m also supported incredibly well with focused professional development and time.”

Ultimately, it’s the freedom for flexibility and innovation that supporters point to as the upsides of charter schools — something appreciated by teachers, parents and students. As reforms likely proceed under the new administration, Petersen and others within the movement don’t want lawmakers to lose sight of what proponents say charters provide children. For example, she says Gateway serves at-risk teenagers who may be credit deficient, pregnant or adjudicated and who don’t do well in the traditional setting. “Charters are not an attempt to harm the traditional system,” she says. “They are the greatest attempt to serve those who have the most need and are not being met.”

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- Ting Sun, executive director, Natomas Charter School

Many of those who want reform want it done in a way that continues to allow charters to deploy unique teaching methodology, like Natomas Charter’s Leading Edge Academy, and freedom from some bureaucracy — but not at the

expense of transparency. “I think it’s time for us to come together and realize there are some things we can easily resolve that will cut down on the abuses,” Garbolino-Mojica says. “When you cut down on the abuses, at the end of the day, you’re making good decisions for kids. And at the end of the day, everybody wants to have a high-quality education for their child, and I think we can do that through a combination of high-quality traditional schools and high-quality charters.”