



*Preparing Career Ready Graduates*

2348 Mariposa, Room 124A  
Fresno, CA 93721  
(559) 457-3923

To: Fresno Unified Board of Education  
From: District Charter Review Team  
Date: December 29, 2020

---

**Subject: Report of Factual Findings regarding the Golden Charter Academy Charter Petition**

---

**ACTION REQUESTED:** The Fresno Unified School District Charter Review Team (“Review Team”) has reviewed the request by Golden Charter Academy School Corp., a California non-profit public benefit corporation, for the Golden Charter Academy (“GCA”) Charter Petition for the charter term of July 1, 2021 through June 30, 2026. The purpose of this Report of Factual Findings is to provide a detailed discussion of the Review Team’s review, concerns, and findings related to the Charter Petition.

This Report of Factual Findings is intended to provide the factual basis for a resulting decision by the Fresno Unified Board of Education. It is not intended to identify every deficiency in the petition or to address all the pertinent items for a new charter petition. All ensuing details are specific to the Golden Charter Academy.

**I. GOLDEN CHARTER ACADEMY**

Golden Charter Academy School Corp. seeks to create a TK-8 public school based on environmental education and focused on the three core values of Stewardship, Equity, and Access. The charter school’s mission is to “Inspire Powerful Young Minds.”

The charter school is co-founded by community members Robert Golden, Edison High graduate and retired NFL football player; C. J. Jones, community advocate; Keshia Thomas, Board President of the Fresno Unified School District; and Dr. Bard De Vore, educator. Dr. Ed González and Dr. Brad Huff serve as senior advisor and program coordinator, respectively.

The District received the initial Golden Charter Academy Charter Petition on October 23, 2020 and the revised petition on November 30, 2020, with final revisions completed on December 15, 2020. For 2021-2022 school year, GCA intends to offer TK, K, 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> grade classes for a total of 198 students. Thereafter, the charter school plans to add a grade level each year. At full capacity in school year 2026-2027, GCA intends to serve 448 students in grades TK-8. The following is the proposed enrollment with grade level expansion:

Grade Level	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
TK	22	22	22	22	22	22
K	44	44	44	44	44	44
1st	44	44	44	44	44	44
2nd	44	44	44	44	44	44
3rd	44	44	44	44	44	44
4 <sup>th</sup>		50	50	50	50	50
5 <sup>th</sup>			50	50	50	50
6 <sup>th</sup>				50	50	50
7 <sup>th</sup>					50	50
8 <sup>th</sup>						50
<b>TOTALS</b>	<b>198</b>	<b>248</b>	<b>298</b>	<b>348</b>	<b>398</b>	<b>448</b>

GCA plans to offer place-based educational opportunities, applied through the lens of a Universal Design for Learning (UDL) Standards Based curriculum, which provides hands-on experiences, research, and fieldwork in partnership with the Fresno Chaffee Zoo. GCA will focus on environmental education and environmental literacy.

For its facilities, GCA will lease Our Lady of Victory Catholic School, located at 1626 W Princeton Avenue, Fresno CA 93705 in west central Fresno, a private school facility that was closed by the Catholic Diocese after the 2019-2020 school year. This site will serve as GCA’s school facility until it is able to secure a permanent location for the charter school. GCA is committed to serving the southwest and west-central community of Fresno and thus intends to operate in those neighborhoods near or adjacent to the Fresno Chaffee Zoo and Roeding Park.

**II. CHARTER PETITION PROCEDURE**

The procedure for receiving and considering a charter petition is set forth in Education Code section 47605(b), which states the following:

*No later than 60 days after receiving a petition, in accordance with subdivision (a), the governing board of the school district shall hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the school district, other employees of the school district, and parents. Following review of the petition and the public hearing, the governing board of the school district shall either grant or deny the charter within 90 days of receipt of the petition, provided, however, that the date may be extended by an additional 30 days if both parties agree to the extension. A petition is deemed received by the governing board of the school district for purposes of commencing the timelines described in this subdivision on the day the petitioner submits a petition to the district office, along with a signed certification that the petitioner deems the petition to be complete. The governing board of the school district shall publish all staff recommendations, including the recommended findings and, if applicable, the certification from the county superintendent of schools prepared pursuant to paragraph (8) of subdivision (c), regarding the petition at least 15 days before the public hearing at which the governing board of the school district will either grant or deny the charter. At the public hearing at which the governing board of the school district will either grant or deny the charter, petitioners shall have equivalent time and procedures to present evidence and testimony to respond to the staff recommendations and findings.*

### III. CHARTER PETITION CRITERIA

Education Code section 47605(c) sets forth the criteria for reviewing a charter petition 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 system and that the establishment of charter schools should be encouraged. The governing board of the school district shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice and with the interests of the community in which the school is proposing to locate. The governing board of the school district shall consider the academic needs of the pupils the school proposes to serve. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:*

*(1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.*

*(2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.*

*(3) The petition does not contain the number of signatures required by subdivision (a).*

*(4) The petition does not contain an affirmation of each of the conditions described in subdivision (e).*

*(5) The petition does not contain reasonably comprehensive descriptions of all of the following:*

*(A)(i) The educational program of the charter school, designed, among other things, to identify those whom the charter 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 that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.*

*(ii) The annual goals for the charter school for all pupils and for each subgroup of pupils identified pursuant to Section 52052, to be achieved in the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served, and specific annual actions to achieve those goals. A charter petition may identify additional school priorities, the goals for the school priorities, and the specific annual actions to achieve those goals.*

*(iii) If the proposed charter school will serve high school pupils, the manner in which the charter school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered transferable and courses approved by the University of California or the California State University as creditable under the “A to G” admissions criteria may be considered to meet college entrance requirements.*

*(B) 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 charter school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the charter school’s educational program. Pupil outcomes shall include outcomes that address increases in pupil academic achievement both schoolwide and for all pupil subgroups served by the charter school, as that term is defined in subdivision (a) of Section 52052. The pupil outcomes shall align with the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served by the charter school.

(C) The method by which pupil progress in meeting those pupil outcomes is to be measured. To the extent practicable, the method for measuring pupil outcomes for state priorities shall be consistent with the way information is reported on a school accountability report card.

(D) The governance structure of the charter school, including, but not limited to, the process to be followed by the charter school to ensure parental involvement.

(E) The qualifications to be met by individuals to be employed by the charter school.

(F) The procedures that the charter school will follow to ensure the health and safety of pupils and staff. These procedures shall require all of the following:

(i) That each employee of the charter school furnish the charter school with a criminal record summary as described in Section 44237.

(ii) The development of a school safety plan, which shall include the safety topics listed in subparagraphs (A) to (J), inclusive, of paragraph (2) of subdivision (a) of Section 32282.

(iii) That the school safety plan be reviewed and updated by March 1 of every year by the charter school.

(G) The means by which the charter school will achieve a balance of racial and ethnic pupils, special education pupils, and English learner pupils, including redesignated fluent English proficient pupils, as defined by the evaluation rubrics in Section 52064.5, that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted. Upon renewal, for a charter school not deemed to be a local educational agency for purposes of special education pursuant to Section 47641, the chartering authority may consider the effect of school placements made by the chartering authority in providing a free and appropriate public education as required by the federal Individuals with Disabilities Education Act (Public Law 101-476),<sup>1</sup> on the balance of pupils with disabilities at the charter school.

(H) Admission policies and procedures, consistent with subdivision (e).

(I) The manner in which annual, independent financial audits 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.

(J) The procedures by which pupils can be suspended or expelled from the charter school for disciplinary reasons or otherwise involuntarily removed from the charter school for any reason. These procedures, at a minimum, shall include an explanation of how the

*charter school will comply with federal and state constitutional procedural and substantive due process requirements that is consistent with all of the following:*

*(i) For suspensions of fewer than 10 days, provide oral or written notice of the charges against the pupil and, if the pupil denies the charges, an explanation of the evidence that supports the charges and an opportunity for the pupil to present the pupil's side of the story.*

*(ii) For suspensions of 10 days or more and all other expulsions for disciplinary reasons, both of the following:*

*(I) Provide timely, written notice of the charges against the pupil and an explanation of the pupil's basic rights.*

*(II) Provide a hearing adjudicated by a neutral officer within a reasonable number of days at which the pupil has a fair opportunity to present testimony, evidence, and witnesses and confront and cross-examine adverse witnesses, and at which the pupil has the right to bring legal counsel or an advocate.*

*(iii) Contain a clear statement that no pupil shall be involuntarily removed by the charter school for any reason unless the parent or guardian of the pupil has been provided written notice of intent to remove the pupil no less than five schooldays before the effective date of the action. The written notice shall be in the native language of the pupil or the pupil's parent or guardian or, if the pupil is a foster child or youth or a homeless child or youth, the pupil's educational rights holder, and shall inform the pupil, the pupil's parent or guardian, or the pupil's educational rights holder of the right to initiate the procedures specified in clause (ii) before the effective date of the action. If the pupil's parent, guardian, or educational rights holder initiates the procedures specified in clause (ii), the pupil shall remain enrolled and shall not be removed until the charter school issues a final decision. For purposes of this clause, "involuntarily removed" includes disenrolled, dismissed, transferred, or terminated, but does not include suspensions specified in clauses (i) and (ii).*

*(K) 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.*

*(L) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.*

*(M) The rights of an 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.*

*(N) The procedures to be followed by the charter school and the chartering authority to resolve disputes relating to provisions of the charter.*

*(O) The procedures to be used if the charter school closes. The procedures shall ensure a final audit of the charter school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.*

(6) *The petition does not contain a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code.*

(7) *The charter school is demonstrably unlikely to serve the interests of the entire community in which the school is proposing to locate. Analysis of this finding shall include consideration of the fiscal impact of the proposed charter school. A written factual finding under this paragraph shall detail specific facts and circumstances that analyze and consider the following factors:*

(A) *The extent to which the proposed charter school would substantially undermine existing services, academic offerings, or programmatic offerings.*

(B) *Whether the proposed charter school would duplicate a program currently offered within the school district and the existing program has sufficient capacity for the pupils proposed to be served within reasonable proximity to where the charter school intends to locate.*

(8) *The school district is not positioned to absorb the fiscal impact of the proposed charter school. A school district satisfies this paragraph if it has a qualified interim certification pursuant to Section 42131 and the county superintendent of schools, in consultation with the County Office Fiscal Crisis and Management Assistance Team, certifies that approving the charter school would result in the school district having a negative interim certification pursuant to Section 42131, has a negative interim certification pursuant to Section 42131, or is under state receivership. Charter schools proposed in a school district satisfying one of these conditions shall be subject to a rebuttable presumption of denial.*

#### **IV. REVIEW TEAM ANALYSIS OF PETITION REQUIRED ELEMENTS**

A summary of the Review Team’s analysis related to the criteria set forth in Education Code section 47605 is provided in the following table.

	Criteria	Review Team Comments	Meets Criteria	
			Yes	No
1.	The petition presents a sound educational program for the pupils to be enrolled in the charter school. <i>Education Code § 47605(c)(1)</i>	As supported by evidence from the petition, the petition contains an adequate description of a sound educational program.	✓	
2.	The petition contains evidence the petitioners are demonstrably likely to successfully implement the program set forth in the petition. <i>Education Code § 47605(c)(2)</i>	As supported by evidence from the petition, the petitioners appear demonstrably likely to successfully implement the program set forth in the petition.	✓	
3.	The petition contains the number of required signatures. <i>Education Code § 47605(c)(3)</i>	The petition contains the signatures of 5 credentialed teachers meaningfully interested in teaching at GCA in Appendix A.	✓	

4.	<p>The petition contains an affirmation of each of the described conditions.</p> <p><i>Education Code § 47605(c)(4)</i></p>	<p>The petition contains the required affirmations in the Affirmations and Declarations section of the petition on pages 5-7.</p>	✓	
5.	<p>The petition contains reasonably comprehensive descriptions of the following required elements.</p> <p><i>Education Code § 47605(c)(5)</i></p>	<p>As supported by evidence from the petition, the petition contains comprehensive descriptions of the required elements.</p>	✓	
A.	<p>The educational program of the charter school, designed, among other things, to identify those whom the charter 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 that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.</p> <p>The annual goals for the charter school for all pupils and for each subgroup of pupils identified pursuant to Section 52052, to be achieved in the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served, and specific annual actions to achieve those goals. A charter petition may identify additional school priorities, the goals for the school priorities, and the specific annual actions to achieve those goals.</p> <p>If the proposed charter school will serve high school pupils, the manner in which the charter school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered transferable and courses approved by the University of California or the California State University as creditable under the “A to G” admissions criteria may be considered to meet college entrance requirements.</p> <p><i>Education Code § 47605(c)(5)(A)</i></p>	<p>Based on a thorough review, the educational program on pages 17-104 meets the requirements of the applicable Education Code subsection.</p>	✓	

<p><b>B.</b></p>	<p>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 charter school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the charter school’s educational program. Pupil outcomes shall include outcomes that address increases in pupil academic achievement both schoolwide and for all pupil subgroups served by the charter school, as that term is defined in subdivision (a) of Section 52052. The pupil outcomes shall align with the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served by the charter school.</p> <p><i>Education Code § 47605(c)(5)(B)</i></p>	<p>Based on a thorough review, the measurable pupil outcomes on pages 105-120 are adequately described to meet the requirements of the applicable Education Code subsection.</p> <p>Through the District’s oversight process during the term of the charter, the Review Team will work with GCA to refine measurable pupil outcomes and identify areas for improvement.</p>	<p>✓</p>	
<p><b>C.</b></p>	<p>The method by which pupil progress in meeting those pupil outcomes is to be measured. To the extent practicable, the method for measuring pupil outcomes for state priorities shall be consistent with the way information is reported on a school accountability report card.</p> <p><i>Education Code § 47605(c)(5)(C)</i></p>	<p>Based on a thorough review, the method by which pupil progress will be measured on pages 121-126 is adequately described to meet the requirements of the applicable Education Code subsection.</p> <p>Through the District’s oversight process during the term of the charter, the Review Team will work with GCA to refine measurable pupil outcomes and identify areas for improvement.</p>	<p>✓</p>	
<p><b>D.</b></p>	<p>The governance structure of the charter school, including, but not limited to, the process to be followed by the charter school to ensure parental involvement.</p> <p><i>Education Code § 47605(c)(5)(D)</i></p>	<p>Based on a thorough review, the governance structure on pages 127-131 meets the requirements of the applicable Education Code subsection.</p>	<p>✓</p>	
<p><b>E.</b></p>	<p>The qualifications to be met by individuals to be employed by the charter school.</p> <p><i>Education Code § 47605(c)(5)(E)</i></p>	<p>Based on a thorough review, the charter school employee qualifications on pages 132-143 meet the requirements of the applicable Education Code subsection provided GCA confirms the Principal position will require an Administrative Services Credential or designates another charter school employee with an Administrative Services Credential who will evaluate certificated employees.</p>	<p>✓</p>	

<p><b>F.</b></p>	<p>The procedures that the charter school will follow to ensure the health and safety of pupils and staff. These procedures shall require all of the following: (i) That each employee of the charter school furnish the charter school with a criminal record summary as described in Section 44237; (ii) The development of a school safety plan, which shall include the safety topics listed in subparagraphs (A) to (J), inclusive, of paragraph (2) of subdivision (a) of Section 32282; and (iii) That the school safety plan be reviewed and updated by March 1 of every year by the charter school.</p> <p><i>Education Code § 47605(c)(5)(F)</i></p>	<p>Based on a thorough review, the charter school’s procedures for health and safety on pages 144-148 meet the requirements of the applicable Education Code subsection provided the petitioners remove the reference to GCA using the District’s policies and procedures for mandated child abuse reporting on page 145.</p>	<p>✓</p>	
<p><b>G.</b></p>	<p>The means by which the charter school will achieve a balance of racial and ethnic pupils, special education pupils, and English learner pupils, including redesignated fluent English proficient pupils, as defined by the evaluation rubrics in Section 52064.5, that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted. Upon renewal, for a charter school not deemed to be a local educational agency for purposes of special education pursuant to Section 47641, the chartering authority may consider the effect of school placements made by the chartering authority in providing a free and appropriate public education as required by the federal Individuals with Disabilities Education Act (Public Law 101-476),<sup>1</sup> on the balance of pupils with disabilities at the charter school.</p> <p><i>Education Code § 47605(c)(5)(G)</i></p>	<p>Based on a thorough review, the means by which the charter school will achieve a balance of racial and ethnic pupils on pages 149-150 meet the requirements of the applicable Education Code subsection.</p>	<p>✓</p>	

<b>H.</b>	<p>Admission policies and procedures, consistent with Education Code § 47605(e).</p> <p><i>Education Code § 47605(c)(5)(H)</i></p>	<p>Based on a thorough review, the admissions policies and procedures on pages 151-155 will meet the requirements of the applicable Education Code subsection provided GCA replaces the admissions policies and procedures section in the petition with the recommended admissions policies and procedures section prepared by the Review Team and provided to GCA for its use.</p>	✓	
<b>I.</b>	<p>The manner in which annual, independent financial audits 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.</p> <p><i>Education Code § 47605(c)(5)(I)</i></p>	<p>Based on a thorough review, the manner in which financial audits will be conducted on page 156-157 meets the requirements of the applicable Education Code subsection.</p>	✓	
<b>J.</b>	<p>The procedures by which pupils can be suspended or expelled from the charter school for disciplinary reasons or otherwise involuntarily removed from the charter school for any reason. These procedures, at a minimum, shall include an explanation of how the charter school will comply with federal and state constitutional procedural and substantive due process requirements.</p> <p><i>Education Code § 47605(c)(5)(J)</i></p>	<p>Based on a thorough review, the suspension and expulsion policies on pages 158-179 will meet the requirements of the applicable Education Code subsection provided the petition adds a clear statement that no pupil shall be involuntarily removed in compliance with Education Code section 47605(c)(J)(iii).</p>	✓	

<b>K.</b>	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. <i>Education Code § 47605(c)(5)(K)</i>	Based on a thorough review, the manner in which staff will be covered for retirement on page 180 meets the requirements of the applicable Education Code subsection.	✓	
<b>L.</b>	The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools. <i>Education Code § 47605(c)(5)(L)</i>	Based on a thorough review, the public school attendance alternatives on page 181 meet the requirements of the applicable Education Code subsection.	✓	
<b>M.</b>	The rights of an 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. <i>Education Code § 47605(c)(5)(M)</i>	Based on a thorough review, the rights of an employee on page 182 meet the requirements of the applicable Education Code subsection provided the petitioners remove the entire sentence stating the District will determine whether former employees continue to earn service credit while employed at the GCA.	✓	
<b>N.</b>	The procedures to be followed by the charter school and the chartering authority to resolve disputes relating to provisions of the charter. <i>Education Code § 47605(c)(5)(N)</i>	Based on a thorough review, the dispute resolution procedures on pages 183-184 meet the requirements of the applicable Education Code subsection.	✓	
<b>O.</b>	The procedures to be used if the charter school closes. The procedures shall ensure a final audit of the charter school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records. <i>Education Code § 47605(c)(5)(O)</i>	Based on a thorough review, the closing procedures on pages 185-187 meet the requirements of the applicable Education Code subsection.	✓	
<b>6.</b>	The petition contains a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code. <i>Education Code § 47605(c)(6)</i>	The petition contains this declaration on page 6 of the petition.	✓	

7.	The charter school is demonstrably likely to serve the interests of the entire community in which the school is proposing to locate. <i>Education Code § 47605(c)(7)</i>	As supported by evidence from the petition, the petition demonstrates that the charter school is likely to serve the interests of the entire community.	✓	
8.	The school district is positioned to absorb the fiscal impact of the proposed charter school. <i>Education Code § 47605(c)(8)</i>	The District is likely positioned to absorb the financial impact.	✓	

**V. REVIEW TEAM ANALYSIS OF FINANCIAL STABILITY**

An analysis of the financial statements provided in the petition has been completed. The financial statements analyzed include the five-year revenue and expenditure budget narrative, enrollment assumptions, five-year multi-year projections and the Local Control Funding Formula (LCFF) calculations. GCA plans to serve South-West and West-Central Fresno, and will lease the Our Lady of Victory Catholic School, a private school facility in West-Central Fresno, with a plan to relocate and find a permanent location near the Fresno Chaffee Zoo.

**Financial Stability**

GCA does not anticipate any deficit spending in the first five years of operation. GCA anticipates an ending cash balance of \$44,519.77 in the first year that increases to \$1,437,475 at the end of the fifth year. The charter school expects to borrow/access funding in the first three months of operation from its operators, Golden Charter Academy School Corp. GCA has funding available to facilitate the operations of the school and the petition states “Golden Charter Academy will supplement public funding through philanthropic efforts in order to provide for the full innovative educational experience.”

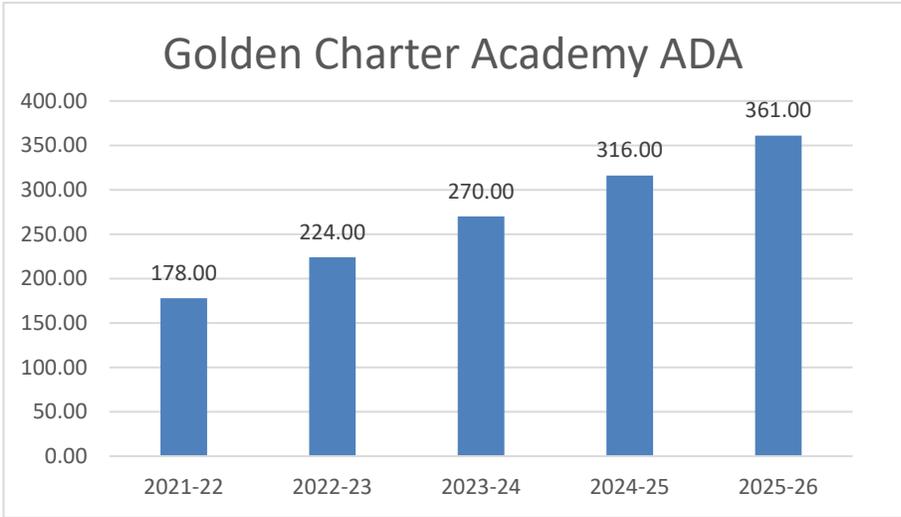
<b>Components of Ending Cash Balance</b>	2021-22 MYP	2022-23 MYP	2023-24 MYP	2024-25 MYP	2025-26 MYP
Projected Ending Cash Balance	\$44,519.77	\$175,911.22	\$508,694.17	\$873,780.81	\$1,437,475.44
Reserve Level as a Percent	2.09%	6.90%	16.08%	23.82%	33.08%

GCA is budgeting \$100,000 in start-up costs before the first year of operation in 2021-2022. These costs will consist of \$86,500 in materials and supplies and \$13,500 will be used for salaries. However, there is a no allocation for benefits. In the first two years of operation, GCA only expects to receive apportionment funding and \$82,500 in undisclosed local revenues. Taking into account the projected low reserve level in the first year, GCA will be in deficit spending if its ADA does not materialize. This would require GCA to acquire additional funding so that operations can continue through the end of the second year. Overall, based on the petition’s projections GCA is projected to maintain a positive fund balance, which is anticipated to increase each year.

**ADA Projection**

GCA anticipates its Average Daily Attendance (ADA) rate to be 90.46%, which is reasonable. In addition, enrollment is projected to be 198 in the first year of operation and projected to increase by 50 every year as the charter school adds a new grade level until 2026-2027, when GCA will be fully operational with grade levels TK-8<sup>th</sup> and a total enrollment of 448. This translates to 178 ADA in the first year and 361 ADA in year five as ADA grows by 46 each fiscal year. The unduplicated pupils average is projected to be around 91.24%.

This rate is appropriate, based on the schools in the same region in which the charter will operate. For example, Addams and Muir Elementary have over 95% unduplicated rate and are in the same geographical region that GCA is proposing to locate to.



**Revenues**

GCA is utilizing the LCFF calculator for its LCFF estimates. Based on the calculation done by the District, the multi-year projections provided by GCA are within a -0.41% to 0.05% variance for the calculated amounts. For 2025-2026, the charter school is using an estimate for LCFF revenue. It is using 90.46% ADA rate, and 91.24% unduplicated pupil count rate. The LCFF revenues are reasonable if enrollment and ADA in 2021-2022 through 2025-2026 materializes.

Please note, the petition lumps together revenue earned from the After-School Program with LCFF apportionment funding, which can be misleading.

LCFF Revenues	2021-22	2022-23	2023-24	2024-25	2025-26
Submitted by Golden Charter Academy	\$2,053,382	\$2,555,179	\$3,059,191	\$3,535,592	\$4,352,735
Calculated by FUSD	\$2,053,382	\$2,549,018	\$3,046,686	\$3,537,200	N/A
Difference	\$0	(\$6,161)	(\$12,505)	\$1,608	N/A
Percentage difference	0.00%	-0.24%	-0.41%	0.05%	

The petition does not include any projections for restricted/unrestricted lottery, facilities grants, and child nutrition state reimbursements. In addition, the petition does not account for any donations or financing.

**Expenses**

Personnel:

GCA projects to start the first school year with 9 certificated teachers. By 2025-2026, it is projecting to have 17 certificated teachers and one certificated principal. The certificated personnel salaries are approximately 27% of all annual expenditures.

<b>Certificated Staff</b>	<b>2021-22 MYP</b>	<b>2022-23 MYP</b>	<b>2023-24 MYP</b>	<b>2024-25 MYP</b>	<b>2025-26 MYP</b>
Principal	0	0	0	1	1
Teachers	9	11	13	15	17
<b>Total FTE</b>	<b>9</b>	<b>11</b>	<b>13</b>	<b>16</b>	<b>18</b>

Classified salaries are projected to be approximately 16% of all annual expenditures, which includes a CEO, administrative assistant, attendance secretary, paraeducators, food service manager and food service assistant. Additionally, the petition states that the charter school may employ employee custodial and maintenance staff, but the budgeted narrative projects zero FTE for custodial positions. Furthermore, GCA anticipates outsourcing its payroll, human resources, IT and financial management services.

<b>Classified Staff</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>
CEO – Head of School	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Attendance Secretary	1	1	2	2	2
Facilities – Custodian	0	0	0	0	0
Facilities – Grounds	0	0	0	0	0
Paraeducators	4	6	8	10	12
Food Service Manager	0	0	1	1	1
Food Service Assistant	0	0	1	1	1
<b>Total FTE</b>	<b>7</b>	<b>9</b>	<b>14</b>	<b>16</b>	<b>18</b>

<b>Salaries Expenditures</b>	<b>2021-22 MYP</b>	<b>2022-23 MYP</b>	<b>2023-24 MYP</b>	<b>2024-25 MYP</b>	<b>2025-26 MYP</b>
Certificated Salaries	\$ 580,000.00	\$ 724,500.00	\$ 844,462.50	\$ 964,648.13	\$ 1,085,068.03
Classified Salaries	\$ 309,940.00	\$ 391,062.00	\$ 547,661.45	\$ 596,372.65	\$ 645,878.78

GCA’s five-year projections predict that costs for employee benefits will be approximately 36% of the total cost of salaries. In addition, benefits will make up 12% of all annual expenditures in the first year and this number will continue to grow to 17% in year five. The projected employee benefit expenditures consist of payroll taxes, health, and welfare insurance coverage, unemployment insurance, workers’ compensation and pension plans. The budget narrative projects 0% PERS cost for classified salaries, even though the charter school projects it will employ 18 classified employees by 2025-2026.

<b>Employee Benefits</b>	<b>Projected Rate</b>	<b>Base</b>
STRS (a)	16.00%	Certificated Salaries
PERS	0.00%	Classified Salaries
OASDI/Medicare/ Alternative	7.65%	Gross Wages
Health & Welfare Benefits	9.00%	Gross Wages

Unemployment Insurance	4.00%	\$7,000 per Employee
Workers Compensation	3.50%	Gross Wages
Other Employee Benefits 401K	3.00%	Gross Wages

Supplies & Services and Other Operating Expenses:

Supplies expenditures are projected to be an average of \$1,303.94 per student in 2021-2022. Supplies include approved textbooks, core curriculum materials, computers, books, other reference materials, instructional materials and supplies, equipment and food.

<b>Book and Supplies &amp; Services and other operating expenses</b>	2020-21 MYP	2021-22 MYP	2022-23 MYP	2023-24 MYP	2024-25 MYP
Projected Enrollment	198	248	298	348	398
Supplies Expenditures	\$258,180	\$250,440	\$323,700	\$420,960	\$562,410
Cost per Enrollment	\$1,303.94	\$1,009.84	\$1,086.24	\$1,209.66	\$1,413.09

Other operating expenses include sub-agreements for service, travel and conferences, dues, liability insurance, rent and professional/consulting services. The sub-agreements for services include, but are not limited to: music program, enrichment programs, school to zoo, business services, staff development and afterschool activities.

<b>Services &amp; Other Op Expenses</b>	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
Expenditures	\$542,500	\$567,320	\$631,870	\$734,258	\$937,861

GCA estimates the contract to lease facilities will be over \$50,000. However, the exact amount to be paid in the first year per the lease agreement is not included in the petition.

District Oversight:

GCA will pay the District 1% of LCFE revenue, as mandated by law for the oversight and facilities fee. The charter school has also budgeted for SELPA expenses. These expenditures are budgeted to be \$187,611 in 2021-2022. GCA projects SELPA to be \$932 per ADA. First year SELPA expenditure are anticipated to be \$165,896 and \$336,452 in 2025-2026.

<b>Other Outgo</b>	2021-22 MYP	2022-23 MYP	2023-24 MYP	2024-25 MYP	2025-26 MYP
Total Other Outgo	\$187,611	\$235,593	\$286,605	\$334,846	\$385,549

The following table shows the total projected revenues and expenditures for the next five fiscal years:

Revenue and Expenses as submitted:

	2021-22	2022-23	2023-24	2024-25	2025-26
Revenues	\$2,171,482	\$2,682,479	\$3,496,525	\$4,033,379	\$4,909,661

Expenses	\$2,126,962	\$2,551,088	\$3,163,742	\$3,668,293	\$4,345,967
Excess of Revenues over Expenses	\$44,520	\$131,391	\$332,783	\$365,087	\$563,695

The following table includes the 5-year multi-year projection for GCA:

	2021-22 MYP	2022-23 MYP	2023-24 MYP	2024-25 MYP	2025-26 MYP
Total Revenue	\$2,171,482	\$2,682,479	\$3,496,525	\$4,033,379	\$4,909,661
Total Expense	\$2,126,962	\$2,551,088	\$3,163,742	\$3,668,293	\$4,345,967
Fund Balance	\$0	\$44,520	\$175,911	\$508,694	\$873,781
Net Change to Fund Balance	\$44,520	\$131,391	\$332,783	\$365,087	\$563,695
Ending Fund Balance	\$44,520	\$175,911	\$508,694	\$873,781	\$1,437,475

The positive projected ending reserve levels will allow GCA to be sustainable during economic downturns and times of unforeseen hardships. However, this is only if the projected enrollment materializes in each of the next five years based on the projections provided in the petition.

### Financial Reporting

GCA states in its petition that, by July 1 of each year, it will provide its preliminary budget, LCAP and an annual update to District. Furthermore, by December 15th, the charter school will provide an interim financial report for the current fiscal year reflecting changes through October 31, and a copy of the charter school’s annual independent financial audit report. In addition, a second interim financial report will be provided by March 15th and a final, unaudited report for the full prior year will be provided to the District by September 15th. However, the petition fails to state who will be preparing these reports. Page 189 of the petition states that financial statements such as a Balance Sheet, Income Statement, and Statement of Cash Flow will be prepared, but is missing information on who will oversee the preparation of these statements.

### Concerns

There are several outstanding concerns related to the petition:

- The petition does not specify who will be preparing the financial statements. It is missing this information on page 189.
- The cost of relocation to a permanent facility is not projected in the budgeted narrative. In addition, the petition does not specify whether the facilities will be purchased or leased and the timeframe in doing so. After talking to the CEO, Robert Golden, it was learned that Mr. Golden will purchase the facility and lease it to GCA. Fiscal will need to monitor this to for a potential conflict of interest.
- According to the petition, there is no certificated administrator FTE budgeted in the first three years of operation. The multiyear projection provided in the petition adds a principal in 2024-2025, but this is likely an error as the petition states that there will be a certificated administrator in the first year of operation.
- The petition does not account for CalPERS and is using a 0% CalPERS rate for its classified staff in the benefit calculations provided.

## **Conclusion**

Based on the information included in the petition, GCA presents reasonable revenue projections provided enrollment and ADA materialize in each of the next five years in accordance with the projections in the petition. The expenditures are conservative, especially for a brand-new charter school. Any decrease in enrollment and ADA in the first year, along with any unexpected startup cost, will put a strain on the financial health of the charter school.

## **VI. REVIEW TEAM FINDINGS AND RECOMMENDATION**

Pursuant to Education Code section 47607(a)(1), a charter may be granted pursuant to Education Code section 47605 for a period not to exceed five years.

As set forth herein, the Review Team has determined that the Golden Charter Academy Charter Petition meets the Education Code requirements for a charter petition subject to the modifications requested by the Review Team.

Therefore, the Review Team recommends the Fresno Unified Board of Education **approve** the Golden Charter Academy Charter Petition for a five-year initial charter term from July 1, 2021 to June 30, 2026.