

Charter School Update 2015 Employer Advisory Committee August 5, 2015

Background

The following information is from the California State Board of Education (SBE) May 2015 Agenda.

Since the charter school law was enacted in 1992, the SBE has assigned numbers to **1,726** charter schools, including some approved by the SBE after denial by local educational agencies. Separate from that numbering system, **eight all-charter districts** that currently serve a total of **18 school sites**, have been jointly approved by the State Superintendent of Public Instruction and the SBE.

California Education Code (EC) Section 47602 requires the SBE to assign a number to a charter school that has been approved by a local entity in the chronological order in which it was received. Each number assigned shall correspond to a single petition that identifies a charter school that will operate within the geographic and site limitations of this part. Charter schools that share educational programs and serve similar pupil populations may not be counted as separate schools. This numbering system ensures that the state stays within a statutory cap on the total number of charter schools authorized to operate within California. The **cumulative statutory cap for the fiscal year 2014–15 is 1,850**. The statutory cap is not subject to waiver.

California Laws and Regulations Applicable to Charter Schools

Education Code Part 26.8 Charter Schools, Chapters 1 through 6, Sections 47600 through 47664 cover General Provisions, Establishment of Charter Schools, Charter School Operation, Notice (Findings, Evaluation, and Analysis), University Charter Schools, and Funding. The 2014 Edition of these Laws and Regulations was issued by Charter Schools Division of California Department of Education.

Here are the sections applicable specifically with CalSTRS:

- California Education Code Section 47605: Gives a charter school the option of participating in CalSTRS, CalPERS or Social Security.
- California Education Code Section 47611: Informs charter schools that participation in CalSTRS means that all parts of Teachers' Retirement Law apply.
- California Education Code Section 47611.3: Requires school districts of County Offices of Education to report contributions and data to CalSTRS on behalf of charter schools.

CalSTRS Offers Retirement Benefits to Charter Schools

Charter schools have the unique ability to decide whether to provide CalSTRS benefits and services to their employees. CalSTRS offers the following benefits to members:

- Defined Benefit Program
- Defined Benefit Supplement Program
- Cash Balance Benefit Program
- Pension2, a voluntary supplemental savings plan

Criteria for a Charter School to Elect CalSTRS

During the initial writing of a charter petition, the school can elect to participate in CalSTRS to provide retirement benefits for their employees. Charter schools must meet the following criteria to participate in CalSTRS retirement programs:

- Recognized as a Public Charter School by the California Department of Education.
- Elect Participation in CalSTRS and Enroll Eligible Employees (members).
- Submit a Completed CalSTRS Activation Packet Confirming Participation before Reporting Contributions.
- Report Contributions to CalSTRS via School District or County Office of Education (COE).

Required Documents from Charter Schools – see attached Charter School CalSTRS Activation Packet ES1026

Prior to accepting contributions, CalSTRS requires the following documents that are all incorporated in one packet – ES1026 Charter School CalSTRS Activation Packet:

- Section 1-A: Charter School Profile Summary – replaces the former CalSTRS Questionnaire form that summarizes the school profile and contact information details.
- Section 1-B: CalSTRS Contributions Report Structure – COE assigns the unit code Report Unit ID for CalSTRS contribution reporting.
- Section 2: Employer Paid Member Contributions (EPMC) resolution authorizing the charter school to collect pre-tax contributions.
- Section 3: Charter petition indicating the election or participation in CalSTRS.
- Section 4: Additional documents if necessary.

CalSTRS Contribution Reporting

Depending on the agreement between the charter school and the authorizing local educational agency (LEA), CalSTRS contributions reporting from charter schools may come in any of these report structures:

- COE Report Unit ID – charter school submits contribution data through its local COE and the charter school data is comingled with that of the COE.
- School District Report Unit ID – charter school submits contribution data through its authorizing school district and the charter school data is comingled with that of the School District.
- Charter School District Report Unit ID – The contribution data is comingled with other charter schools of the same corporation within the county and reported directly to the county as a school district.
- Unique ID – Unique report unit code that allows the charter school to submit its own data and contributions directly to the COE. As such, charter school data is distinct from that of the COE or any other school districts.

Statistical Data

Feb 1993 through June 2015

- 1,850 – Cumulative Statutory Cap for FY2014-2015; 100 Statutory Cap Increase per school year
- 1,726 – Total Number Issued by SBE since the Enactment of Charter School Act of 1992
- 1,165 of 1726 (67%) – Active Charter Schools through 6/30/2015
- 1,046 of 1165 (90%) – CalSTRS-Active Charter Schools through 6/30/2015

July 2010 through June 2015

- 533 Charter Schools Numbered by SBE
 - 5 Unassigned due to numbering errors at SBE
 - 1 Withdrawn petition was withdrawn after the number was assigned
 - 14 (3%) Abandoned charter school was unable to open
 - 1 Revoked most commonly due to audit compliance issues or financial issues
 - 35 (7%) Closed or Non-renewal, voluntary surrender of petition
 - 49 (9%) Pending future school start date
 - 0 Inactive – temporarily closed due to facilities, financial, or other management issues
 - 12 (2%) Active after 6/30/2015
 - 415 (77%) Active through 6/30/2015
- 415 of 533 (77%) became Active Charter Schools through 6/30/2015
 - *Retirement*
 - 361 (87%) Active-CalSTRS
 - Contribution Reporting Structure of these 361 Active-CalSTRS
 - 202 (49%) reporting through Unique unit code
 - 137 (33%) reporting through School District unit code
 - 15 (4%) reporting through Charter District unit code
 - 7 (2%) reporting through COE unit code
 - 31 (7%) Other Public Retirement-SSA, 403B
 - 23 (6%) Unknown, not specified
 - *Chartering Authority*
 - 371 (89%) School District
 - 39 (9%) County Office of Education
 - 5 (1%) State Board of Education

- *Founding Entity*
 - o 220 (53%) Local Educational Authority
 - o 195 (47%) Corporation

- *Organization Type*
 - o 237 (57%) Non Profit
 - o 177 (34%) Unknown - not identified as nonprofit
 - o 1 For Profit

FY2014/2015 - July 2014 through June 2015

- 70 New Charter Schools Numbered by SBE for the FY
 - 1 Closed
 - 39 (56%) Pending
 - 8 (11%) Active after 6/30/2015
 - 22 (31%) Active through 6/30/2015

- 22 of 70 (31%) Became Active Charter schools through 6/30/2015
 - *Retirement*
 - o 16 (73%) Active-CalSTRS
 - Contribution Reporting Structure of these 16 Active-CalSTRS
 - 9 reporting through Unique unit code
 - 4 reporting through School District unit code
 - 3 reporting through Charter District unit code
 - o 2 (9%) Other Public Retirement
 - o 4 (18%) Unknown

 - *Chartering Authority*
 - o 16 (73%) School District
 - o 3 (13%) County Office of Education
 - o 3 (13%) State Board of Education

 - *Founding Entity*
 - o 14 (64%) Corporation
 - o 8 (36%) Local Educational Authority

 - *Organization Type*
 - o 15 (68%) Non Profit
 - o 7 (32%) Unknown - not identified as nonprofit

Geographic Distribution - Table

Legend:

SBE Approved –Charter Schools Numbered and Approved by SBE for the FY period

Active – Became Active Charter Schools for the FY period

STRS – Became Active-CalSTRS Charter Schools for the FY period

FY2014-2015 - ORANGE

FY2010-2015 - GREEN

FY1993-2015 – PURPLE

COE		Charter Schools Numbered by SBE								
		FY 2014-2015			FY2010-2015			FY 1993-2015		
		SBE Approved	Active	STRS	SBE Approved	Active	STRS	SBE Approved	Active	STRS
01	Alameda	6			25	18	14	96	55	41
02	Alpine									
03	Amador				1	1	1	1	1	1
04	Butte				3	3	3	24	17	17
05	Calaveras							1	1	1
06	Colusa									
07	Contra Costa	5	1	1	11	7	4	23	14	11
08	Del Norte							3	2	2
09	El Dorado				1	1	1	22	9	9
10	Fresno				9	8	6	57	35	30
11	Glenn	1	1	1	3	3	2	4	4	3
12	Humboldt				4	4	4	18	15	14
13	Imperial				1	1	1	4	3	2
14	Inyo				3	2	2	5	4	4
15	Kern				7	5	5	17	11	10
16	Kings				1	1	1	17	11	11
17	Lake	1	1	1	2	2	1	3	3	2
18	Lassen				1	1	1	8	5	5
19	Los Angeles	24	6	5	191	157	145	489	346	310
20	Madera				2	2	2	10	9	9
21	Marin							5	3	2
22	Mariposa				1	1	1	1	1	1
23	Mendocino				3	2	2	17	10	9
24	Merced				1	1	1	3	2	2
25	Modoc							1	0	0
26	Mono				3	3	3	6	3	3
27	Monterey				4	3	2	14	9	8
28	Napa							6	3	3
29	Nevada	1	1	1	6	5	4	36	13	12

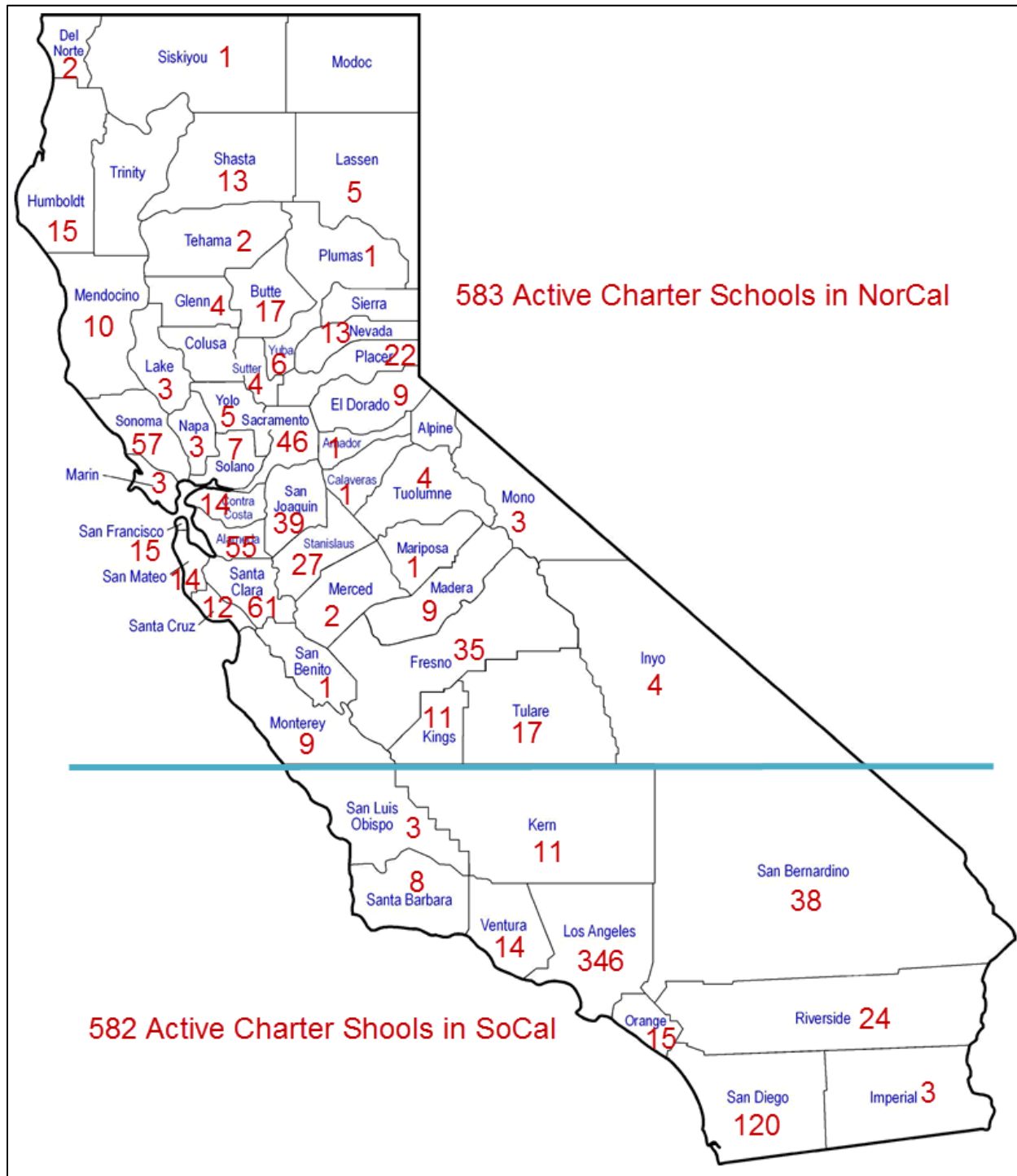
CALSTRS

HOW WILL YOU SPEND YOUR FUTURE?

30	Orange	2	1	1	5	4	4	21	15	14
31	Placer	1			13	9	5	33	22	17
32	Plumas							1	1	1
33	Riverside				14	10	8	38	24	22
34	Sacramento	4	2	2	14	11	9	70	46	42
35	San Benito				1	1	0	1	1	0
36	San Bernardino	2	2	0	12	10	7	64	38	31
37	San Diego	6	4	3	50	42	37	179	120	111
38	San Francisco	2			5	3	2	25	15	11
39	San Joaquin	5			28	20	18	60	39	37
40	San Luis Obispo				1	1	1	4	3	3
41	San Mateo	2			6	4	4	30	14	12
42	Santa Barbara				3	1	1	14	8	8
43	Santa Clara	5	2	1	34	23	18	81	61	54
44	Santa Cruz							14	12	12
45	Shasta				3	1	1	26	13	13
46	Sierra							1	0	0
47	Siskiyou				1			7	1	1
48	Solano				2	2	2	9	7	7
49	Sonoma	2			28	25	25	75	57	54
50	Stanislaus	1	1	0	5	3	2	39	27	26
51	Sutter				1	1	1	6	4	4
52	Tehama				1	1	0	5	2	1
53	Trinity				1	0	0	1	0	0
54	Tulare				6	6	4	20	17	15
55	Tuolumne				2	1	0	7	4	3
56	Ventura				4	3	3	17	14	13
57	Yolo				4	2	2	8	5	5
58	Yuba							12	6	6
	Unassigned				5			13		
	Withdrawn				1			1		
		SBE Approved	Active	STRS	SBE Approved	Active	STRS	SBE Approved	Active	STRS
	TOTAL	70	22	16	533	415	360	1773	1165	1046

Geographic Distribution - Map

The map below displays the geographic distribution of All Active Charter Schools (total=1165, FY1993-2015) in each county in California. 50% (583) of active charter schools are located in Northern California, and 50% (582) are located in Southern California with more than one-half of those schools (346) in Los Angeles.





Resources

California Department of Education, www.cde.ca.gov

- Data and Statistics/Charter School Locator <http://www.cde.ca.gov/ds/si/cs/>

State Board of Education <http://www.cde.ca.gov/be/>

- Meeting Agendas <http://www.cde.ca.gov/be/ag/ag/index.asp>

Questions

If you have questions or if you need more details about this update, please contact us at CharterSchoolQuestions@CalSTRS.com.

You may also contact our Charter School Administrator:
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