



OAKLAND UNIFIED
SCHOOL DISTRICT

Community Schools, Thriving Students

Oakland Unified School District Proposed Notice of Violation to American Indian Model Charter Schools

OUSD Board of Education
September 27, 2012 Board Meeting
John R. Yeh, Burke Williams & Sorensen, LLP





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- American Indian Model Charter Schools
 - AIPHS, 9-12 (Term 7/1/11-7/1/16)
 - AIPCS, Grades 5-8 (Term 7/1/11-7/1/16)
 - AIPCS II, Grades K-8 (Term 7/1/12-7/1/17)



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- **Notice of Violation**
 - Beginning of Process
 - 60-day “Remedy Period”
 - No Pre-Ordained outcome
 - Possible outcomes include Revocation or Implementation of Remedies
 - Dialogue with AIMS regarding institutional changes
 - Education Code grounds for NOV include fiscal, legal and operational, as well as pupil performance
- **72 hours notice requirement**
 - OUSD met with AIMS Board President and representative and counsel on September 20, 2012 to explain process



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- Summary of NOV:
 - 55 pages; 1000+ pages of exhibits
 - FCMAT Report (June 2012)
 - Failure of AIMS Board to exercise fiscal and institutional control over AIMS charter schools
 - \$3.9 million in interested-party transactions with founder and spouse
 - Inappropriate credit card expenditures
 - Board turnover and irregularities in Board meeting procedures
 - Failure to document actions
 - Credentialing issues and compliance with grant terms



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- Next Steps

- Tonight: Board action on proposed NOV
- Starts Remedy Period: 9/28/12 – 11/28/12
- AIMS written response required by 11/28/12
- At end of Cure Period, OUSD will evaluate AIMS written response
 - Possible Paths: Implementation of Remedies or Notice of Intent to Revoke (further due process)
 - Does AIMS fully understand magnitude of violations?
- AIMS not obligated to respond to substantive allegations in NOV tonight



- Identified areas of remedy, including but not limited to:
 - Management of the AIMS organization to ensure compliance with applicable legal requirements, including enrollment and teacher credentials
 - Changes to structure and operation of AIMS governing board to ensure greater fiscal and operational control
 - Identification of responsible agent for AIMS fiscal operations
 - Institution of conflict of interest enforcement procedures
 - Appropriate separation of founder and spouse from all aspects of AIMS operations. (NOV, p. 54-55)