

Board Office Use: <b>Legislative File Info.</b>	
File ID Number	24-1703
Introduction Date	June 27, 2024
Enactment Number	
Enactment Date	



**OAKLAND UNIFIED  
SCHOOL DISTRICT**  
Community Schools, Thriving Students

# Board Cover Memorandum

**To** Board of Education

**From** Kyla Johnson-Trammell, Superintendent  
Kelly Krag-Arnold, Director, Office of Charter Schools  
Marwa Doost, Compliance Specialist, Office of Charter Schools

**Meeting Date** June 27, 2024

**Subject** Update on 2023-24 Charter School Notices of Concern

---

**Ask of the Board** Review and discussion

**Background** The Office of Charter Schools issues Notices of Concern to charter schools and charter management organizations when there is substantial reason to believe that there is a financial concern, that a violation of law has occurred, or that the school has violated the terms of its Board-approved charter petition. As of June 19, 2024, the Office of Charter Schools has issued 10 total Notices of Concern in the 2023-24 school year.

**Discussion** The Office of Charter Schools is happy to answer questions you may have about any specific Notices of Concern or about our practices more generally.

**Fiscal Impact** N/A

**Attachment(s)**

- Presentation
- Appendix I: Summary of 2023-24 Notices of Concern by Issue Area
- Appendix II: List of 2023-24 Notices of Concern

**PRESENTATION**

# 2023-24 Notice of Concern Summary

*OUSD Office of Charter Schools  
June 27, 2024*



**OAKLAND UNIFIED  
SCHOOL DISTRICT**

*Community Schools, Thriving Students*

# Definitions

## Letter of Inquiry (LOI):

A formal request to a charter school leader by the authorizer for more information regarding a potential violation of federal, state, or local laws or regulations.

## Notice of Concern (NOC):

A notification to a charter school by the authorizer regarding a violation of federal, state, or local laws or regulations.

- The Office of Charter Schools (OCS) is typically made aware of a violation through our internal monitoring, audits, complaints, OUSD referrals, or the charter school itself.
  - Common examples: Enrollment violations, suspension/expulsion compliance, fiscal concerns

# Content of a Notice of Concern

Notices of Concern include three major components:

- Background
- Violation description
- Remedy

Notice of Concerns are tiered:

- Minor
- Moderate
- Severe

Remedies for Notices of Concern are unique to each violation, but generally contains the following:

- Immediate correction of violation
- Violation debrief to OCS
- Enhanced oversight procedures

# 2023 -24 Tiered Accountability System

For the 2023-24 school year, OCS updated the NOC process to make the severity of a violation clear to both charter school leaders and the general public.

Notice of Concern <i>Tier: Minor</i>	Notice of Concern <i>Tier: Moderate</i>	Notice of Concern <i>Tier: Severe</i>	Notice of Violation
Indicates a lower level compliance violation; typically a first-time offense	Indicates a repeated lower level compliance violation or a moderate violation regarding one of the four oversight categories	Indicates a repeated moderate level compliance violation or a high-level violation regarding one of the four oversight categories	First step in the revocation process; may be initiated if school fails to remedy issues in Severe Notice of Concern or if the violation is deemed egregious enough to require immediate action be taken.

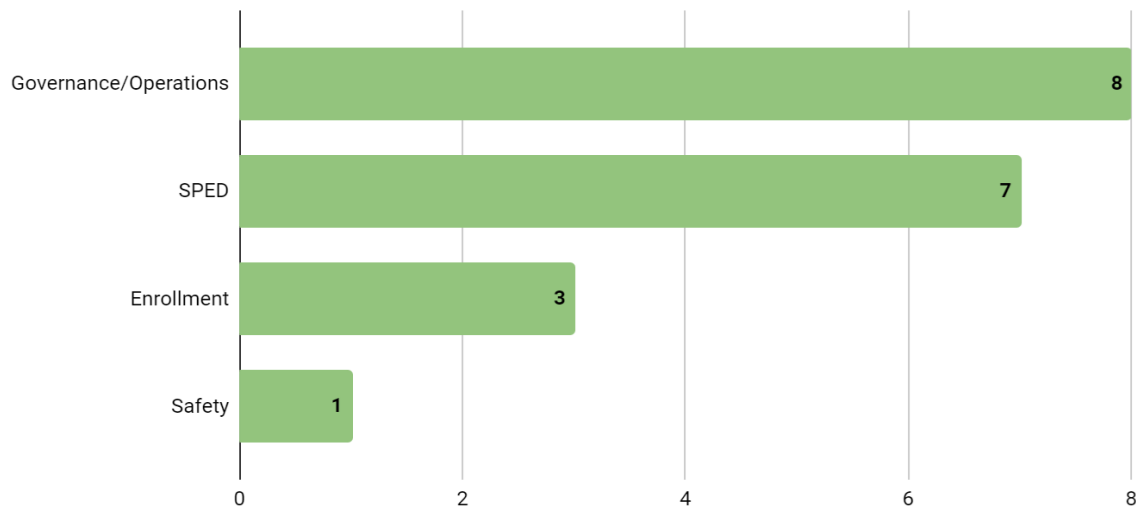
# Process

1. OCS is made aware of an issue (via complaints, staff referrals, oversight processes, etc.)
2. Due diligence
  - a. Typically includes consultation with legal counsel, a letter of inquiry sent to the relevant charter school staff, and/or outreach to third parties
3. Notice of Concern draft/review
  - a. OCS staff writes, determines tier, legal counsel reviews
4. Notice of Concern sent to charter school
5. Remedy follow-up / enhanced oversight
6. (If significant concerns exist) In more extreme cases, additional steps may include:
  - a. District-appointed charter board appointee
  - b. Notice of Violation (first step in revocation process)

# 2023 -24 Letter of Inquiry Summary

In the 2023-24 school year, OCS sent out a total of 19 Letters of Inquiries. Approximately 58% of the LOIs resulted from outreach to OCS by parents and OUSD or CDE staff, with the remainder due to referrals by charter school staff and through OCS's oversight or audit procedures.

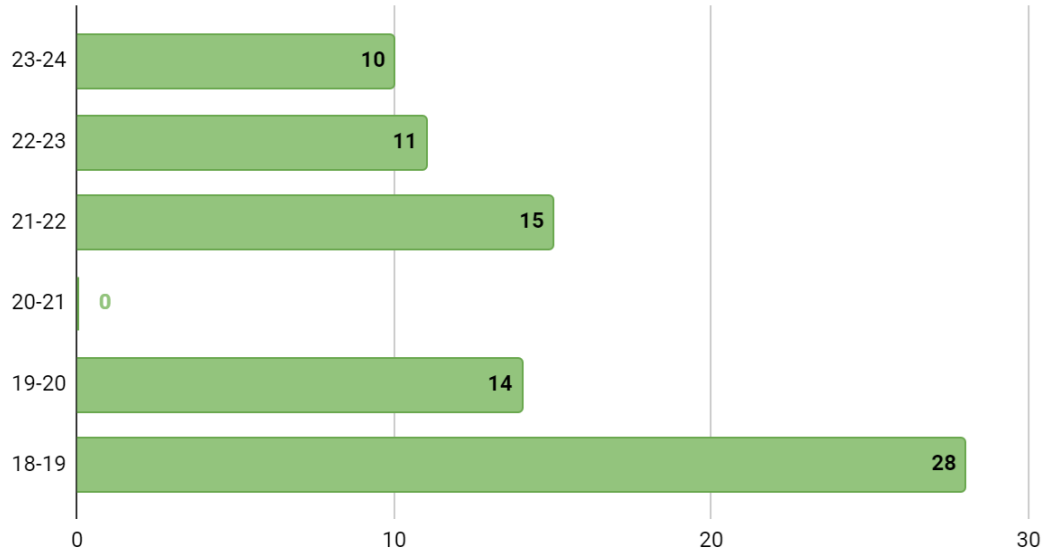
**LOI Breakdown by Oversight Categories**



# 2023 -24 and Historical Notices of Concern

In the 2023-24 school year, OCS sent out a total of 10 Notices of Concerns.

**Total NOCs Per Year - 2018-19 to Present**





# 2023 -24 Notice of Concern Summary

Category	Total	Individual Notice	Tier
Governance/Operational Concerns	1	30 Day Notice re Governance and Serving Students Who Wish to Attend	Severe
	1	Brown Act Violation	Minor
	2	Missed OCS Deadlines	Minor
Fiscal Concerns	2	Late Financial Audit Submissions	Moderate
	1	Decline in Enrollment impacting fiscal health	Moderate
	1	Decline in Enrollment impacting fiscal health	Severe
Enrollment	1	Exceeded Maximum Enrollment	Moderate
Educational Program	1	Failure to Administer CAASPP Test	Severe

# NOC Trends Observed in 2023 -24

- There was a slight decrease in the number of NOCs issued compared to the 2022-23 school year (10 NOCs in 2023-24 vs 11 NOCs in 2022-23).
- There were fewer NOCs issued regarding enrollment concerns in 2023-24 compared with 2022-23. In particular, in 2022-23 there were 3 NOCs issued due to suspension/expulsion and disenrollment concerns compared to 0 in 2023-24.
- The majority of NOCs issued were regarding governance, operational, and fiscal concerns including violations of OCS's policies or procedures and delayed fiscal audit submissions.

A vertical brushstroke graphic on the left side of the slide, transitioning from yellow at the top to orange and red at the bottom.

# Thank You!

**Appendix I: Summary 2023-24 Notices of Concern by School/Charter Management Organization (CMO)**

<b>Tier</b>	<b>Notices of Concerns Sent</b>
Minor	3
Moderate	4
Severe	3

<b>School/CMO</b>	<b>Educational Program</b>	<b>Governance/Operational</b>	<b>Fiscal Concerns</b>	<b>Enrollment Issues</b>	<b>Total</b>
AIMS Elementary (K-8)		1			1
AIMS CMO		2			2
AMPS CMO			1		1
Lighthouse Community Charter School				1	1
Oakland Unity High School			1		1
North Oakland Community Charter School	1	1	1		3
LPS Oakland R&D			1		1
<b>Total</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>10</b>

## Appendix II: List of 2023-24 Notices of Concern

Date Sent	CMO/School	Category	Tier	Description of Concern	Resolution
05/09/2024	AMPS CMO	Fiscal Health	Moderate	AMPS failed to meet the deadline to have a 22/23 annual audit completed by an independent auditor registered with the State Controller's Office.	AMPS acknowledged the concerns and responded to all remedies, including providing a statement that the delay in audit submissions was due to turnover at AMPS and limited staff availability within their audit firm. AMPS outlined plans and timelines to improve financial reporting by contracting with an accountancy corporation and hiring a Chief Operations Officer to oversee fiscal operations in 2024-25.
05/09/2024	Oakland Unity High School	Fiscal Health	Moderate	OUHS failed to meet 22/23 audit requests in a timely manner, preventing its audit firm from completing audits by the State deadline.	Charter school acknowledged the concern and responded to all remedies, including providing a statement that the delay in audit submission was due to limited staff availability with plans that OUHS' Executive Director will oversee the audit submissions moving forward.
2/20/2024	AIMS CMO	Brown Act Violation	Minor	AIMS' Board of Directors had a board "planning session" listed during closed session, which is not an allowable item for closed session.	AIMS acknowledged the concern and responded that the "planning session" was incorrectly labeled in closed session, and was discussed during open session. School detailed its plan to cure and correct the violation by correcting the minutes, having them voted on at the next meeting, training staff on the Brown Act, and working with legal counsel to review agendas and minutes for the next 90 days.
1/25/2024	North Oakland Community Charter School	Failure to Administer CAASPP Test	Severe	NOCCS leadership failed to administer the California Assessment of Student Performance and Progress ("CAASPP") ELA computer adaptive portion of the assessment to its third grade students in 2023, resulting in missing test scores.	Charter school denied the test was not administered to its 3rd grade students, saying that an "unidentified technology glitch" resulted in the scores not being recorded. The charter school completed all remedies including completing an internal review process to uncover the cause of the oversight.

1/25/2024	Lighthouse Community Charter School	Exceeded Maximum Enrollment	Moderate	Lighthouse Community Charter School exceeded the maximum enrollment limit outlined in Lighthouse's OUSD Board-approved charter petition.	Charter school acknowledged the concern and adhered to all remedies, including submitting a material revision to the OUSD Board of Education to formally request an increase to the maximum authorized enrollment beginning in the 2024-25 school, which was approved.
1/22/2024	AIMS CMO	Violation of Education Code §47604.3	Minor	AIMS leadership failed to respond in a timely manner to OCS' request for information regarding the charter school's October student exit data. OCS initially requested this information on November 27, 2023.	AIMS acknowledged the concern and responded to all requests for information and remedies.
10/16/2023	LPS Oakland R&D Campus	Fiscal Health	Moderate	Significant fiscal concerns due to the following factors: LPS' enrollment declined by 101 students in the 2023-24 school year and LPS' board-adopted budget for the 2023-24 school year was based on an enrollment projection that was significantly higher.	Charter school acknowledged all concerns and responded to remedies, including submitting a narrative stating plans to remedy declining enrollment and adjusting the budget to address enrollment declines.
10/10/2023	North Oakland Community Charter School	Fiscal Health	Severe	Significant fiscal concerns due to the following factors: NOCCS' declining enrollment, deficit spending trends, declining fund balance, as well as overprojected ADA contributed to inaccurate 23/24 budget adoptions and poor fiscal health (repeated concern).	Charter school acknowledged all concerns and responded to remedies, including submitting a narrative stating plans to remedy declining enrollment and adjusting the budget to address enrollment declines.
10/19/2023	North Oakland Community Charter School	Education Code §47604.3	Minor	NOCCS leadership failed to respond in a timely manner to OCS' annual request to submit oversight items by 9/15/23 through the Epicenter authorizing platform. OCS sent over 8 reminders to NOCCS prior to sending a notice on October 19, 2023.	NOCCS acknowledged concerns and completed all remedies, including submitting remaining annual oversight items to Epicenter and providing confirmation of reviewing and assigning point contacts in charge of Epicenter submissions for the remainder of the 23-24 school year.
9/27/2023	AIMS Elementary (K-8)	Education Code §47607(e) Notice	Severe	A Education Code §47607(e) Notice was issued by the OUSD Board regarding severe governance concerns and concerns the charter school was not serving all pupils who	Charter school acknowledged the notice and submitted a corrective action plan on November 15, 2023, along with updates on January 31, 2024 and May 1, 2024, and will be sending an additional update on August 1, 2024.

			wish to attend.	
--	--	--	-----------------	--