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STAFF ANALYSIS, RECOMMENDATIONS, AND RECOMMENDED FINDINGS OF FACT REGARDING TEAM CHARTER SCHOOL CHARTER PETITION RENEWAL

PROCEDURAL STATUS

On or about August 12, 2026, the San Joaquin County Office of Education ("SJCOE") received a renewal charter petition ("Petition" or "Charter"), from the TEAM Charter School, operated by Transformational Education Inc., a California non-profit public benefit corporation with tax exempt status. The charter school will be referred to herein as "TEAM" or "Charter School". TEAM is requesting that the San Joaquin County Board of Education ("SJCBOE") approval the renewal of the TEAM Charter for a term of July 1, 2027, through June 30, 2029. The SJCBOE's consideration and action on the Charter is governed by the standards, criteria, and procedures set forth in Education Code sections 47605, 47607, and 47607.2.

Renewals are governed by the standards and criteria set forth in Education Code sections 47605, 47607 and 47607.2. Education Code sections 47607 and 47607.2 determine the length of charter renewal based on a charter school's placement in the established categories of high, middle, or low performance. The California Department of Education (CDE) annually creates a list of all charter schools and ranks their academic performance indicators from the California School Dashboard, specifying whether each school is in the high, middle, or low performing category, or is a Dashboard Alternative Status Schools (DASS) program school. This list was intended to relieve the burden on chartering authorities and provide a starting place for the renewal process. The CDE has designated TEAM as a "low" performing charter school for purposes of renewal.

As detailed below, the SJCOE's recommendation that the Charter be renewed with conditions requires TEAM to comply with each of the conditions identified herein. The conditions will be implemented primarily through TEAM Charter School and Transformational Education Inc. entering into a Memorandum of Understanding (MOU) with the SJCOE to address each of the issues and concerns noted herein and as otherwise determined by the SJCOE and/or the SJCBOE, as well as addressing the general operational relationship between TEAM, Transformational Education Inc., and the SJCOE, including the parties' respective fiscal, operational, and administrative responsibilities, the parties' legal relationship, and other matters not otherwise addressed or resolved by the terms of the renewal Charter as submitted. This MOU is consistent with best practices in charter authorization and oversight and is anticipated in the Charter. A failure to comply with the recommended conditions and remediate the concerns detailed throughout this Staff Analysis would establish that TEAM is demonstrably unlikely to successfully implement the program set forth in the Charter, the Charter does not include reasonably comprehensive

descriptions of all the required charter elements, and TEAM otherwise does not meet the standards for charter renewal for the reasons and factual findings detailed relative to each such concern and condition.

On September 16, 2026, the SJCBOE held a public hearing on the TEAM Charter, consistent with the requirement to do so within 60 days of receipt of the submission of the renewal Charter. Action on the Charter will be on the County Board's October 21, 2026, agenda.

The SJCOE staff note the renewal Charter includes the following statement regarding the Charter term: *"Upon approval of this charter renewal petition by SJCOE, the charter shall be deemed immediately granted and petitioners are authorized to commence school operations for a period of two school years (2027-28, 2028-29)."* However, TEAM does not control the SJCBOE's actions and that statement does not govern the nature of SJCBOE's action on the renewal request. If the SJCBOE implements the SJCOE staff's recommendation that the renewal be granted only with conditions, any approval will be subject to TEAM's compliance with the adopted conditions, and the renewal will not be deemed immediately granted, but will be dependent on TEAM's compliance. If TEAM fails to comply, the alternative findings of denial recommended by the SJCOE staff will go into effect, and the renewal will be denied. A recommended condition of approval is that the MOU include a provision specifically acknowledging and agreeing that this language from the Charter is of no force or effect.

The complete Charter that the SJCBOE is acting on is available for review.

CRITERIA FOR RENEWAL OF A CHARTER PETITION

Effective July 1, 2020, the legal standards for determining whether a charter petition should be renewed were updated. Education Code Section 47607(b) specifies that charter renewals *"are governed by the standards and criteria described in Education Code Section 47605, and shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed."*

Pursuant to Education Code Section 47605, a renewal charter petition may be denied based on written factual findings that support one or more of the following:

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 an affirmation of each of the conditions required by statute.

4. The petition does not contain a reasonably comprehensive description of all the required elements.

5. The petition does not contain a declaration of whether the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of the Educational Employment Relations Act (EERA).

There are additional bases on which a material revision may be denied, which are not pertinent to the current renewal Charter.

As an "additional criterion" for determining whether a charter should be renewed, the chartering authority is required to consider the charter school's performance on the state and local indicators included in the California School Dashboard. For this purpose, charter schools are now divided into high, middle, and low performance categories, plus DASS, based on their performance during the two consecutive years immediately preceding the renewal decision. Pursuant to Education Code sections 47607 and 47607.2. The pertinent renewal standards and the available length of the renewal term are dependent on this categorization.

"Low" performing charter schools are defined in Education Code Section 47607.2(a) as those that in the two consecutive years immediately preceding the renewal decision:

> *(A) The charter school has received the two lowest performance levels schoolwide on all the state indicators included in the evaluation rubrics adopted pursuant to Section 52064.5 for which it receives performance levels.*
>
> *(B) For all measurements of academic performance, the charter school has received performance levels schoolwide that are the same or lower than the state average and, for a majority of subgroups performing statewide below the state average in each respective year, received performance levels that are lower than the state average.*

Low performing charters are generally not to be renewed, but the chartering authority is to consider the following factors and may renew a low performing charter school only if the chartering authority makes written factual findings specific to the charter petition setting forth facts to support the following findings:

1. The charter school is taking meaningful steps to address the underlying cause or causes of low performance, and those steps are reflected, or will be reflected, in a written plan adopted by the governing body of the charter school.
2. There is clear and convincing evidence [demonstrated by verified data] showing either of the following:

    a. The school achieved measurable increases in academic achievement, as defined by at least one year's progress for each year in school.

    b. Strong postsecondary outcomes, as defined by college enrollment, persistence, and completion rates equal to similar peers.

Because TEAM is a Transitional Kindergarten (TK)-5th grade charter school, the latter finding regarding strong postsecondary outcomes is not applicable to its renewal.

A chartering authority may deny renewal of a charter school in any of the performance categories if it finds the school is demonstrably unlikely to successfully implement the program due to any of the following:

1. Substantial fiscal factors,

2. Substantial governance factors, or

3. The charter school is not serving all pupils who wish to attend.

In such cases, the chartering authority must provide the charter school at least 30 days' notice of the alleged violation(s) and provide the charter school with a reasonable opportunity to cure the violation(s), including a corrective action plan proposed by the charter school. Pursuant to Education Code Section 47607(e), the SJCBOE may then deny renewal on these bases only if it makes either of the following findings:

1. The corrective action proposed by the charter school has been unsuccessful

2. The violations are sufficiently severe and pervasive as to render a corrective action plan unviable

Pursuant to Education Code Section 47605:

I. The county board must hold a public hearing on the provisions of the charter at which it considers the level of support for the charter by teachers, other employees, and parents/guardians. (Education Code Section 47605(b))

II. If a low performing charter school is not denied renewal based on that performance criterion, the county board shall grant a charter renewal 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 proposes to locate. The county board shall consider the academic needs of the pupils the school proposes to serve. The county board shall not deny the charter renewal on these bases unless it makes written factual findings, specific to the particular charter, setting forth specific facts to support one or more of the following findings (Education Code Section 47605(c)(1)-(5)):

A. The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.

B. The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.

C. The petition does not contain an affirmation of each of the conditions described in Education Code Section 47605(e).

D. The petition does not contain reasonably comprehensive descriptions of all the required elements.

E. 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 the Educational Employees Relations Act (EERA).

III. The county board is to require charter petitioner(s) to provide information regarding the proposed operation and potential effects of the proposed school, including but not limited to:

A. The facilities to be used by the school, including specifying where the charter school intends to locate.

B. The manner in which administrative services of the school are to be operated.

C. Potential civil liability effects, if any, upon the school and upon the county board of education.

D. Financial statements that include a first-year operational budget, including startup costs, and cash flow and financial projections for the first three years of operation.

E. The names and relevant qualifications of all persons whom the petitioner nominates to serve on the charter school nonprofit corporation's board of trustees.

REVIEW OF THE CHARTER PETITION

The SJCOE staff reviewed the renewal Charter using the criteria established in Education Code sections 47605, 47607, and 47607.2, as described above. The SJCOE's recommendations and recommended findings are set forth below.

I. The SJCBOE must hold a public hearing on the provisions of the Charter at which it considers the level of support for the charter by teachers, other employees, and parents/guardians. (Education Code Section 47605(b).)

The SJCBOE held a public hearing on the provisions of the TEAM Charter on September 16, 2026. During the public hearing, multiple people spoke in support of the TEAM Charter and there were no speakers in opposition to the TEAM Charter renewal.

II. Renewal Criteria for Low Preforming Charter School

TEAM has been identified as a low performing charter school under the California School Dashboard and, pursuant to Education Code Section 47607.2, may be renewed only upon written factual findings that address the statutory criteria applicable to low performing charter schools. TEAM's petition acknowledges its low performing designation and identifies a two-year renewal period as the applicable renewal term.

The SJCBOE must determine whether the evidence demonstrates that TEAM is taking meaningful steps to address the underlying causes of its low performance and that those steps are reflected, or will be reflected, in a written plan adopted by the school's governing body. The SJCBOE must also determine whether there is clear and convincing evidence, demonstrated through applicable verified data, that the school has achieved measurable increases in academic achievement. TEAM's petition identifies these same two findings as the applicable standards for renewal.

Following its review of the renewal Petition, supporting documentation, school performance data, and the School Improvement and Corrective Action Plan, the SJCOE

staff recommend that the SJCBOE make the following written factual findings and renew TEAM Charter School's Charter subject to conditions designed to support continued academic improvement during the renewal term.

(A) The Charter School is taking meaningful steps to address the underlying cause or causes of low performance, and those steps are reflected, or will be reflected, in a written plan adopted by the governing body of the charter school.

The SJCOE staff find that TEAM is taking meaningful steps to address the underlying causes of its low academic performance and that those steps are reflected in TEAM's School Improvement and Corrective Action Plan.

TEAM has identified specific areas contributing to its low academic performance, including student achievement in English Language Arts (ELA) and mathematics, English Learner progress, chronic absenteeism, and staff retention. TEAM's School Improvement and Corrective Action Plan includes a root-cause analysis and establishes specific strategies, responsible parties, monitoring processes, and accountability measures to address these areas.

The academic improvement strategies include full implementation of the McGraw-Hill Wonders literacy curriculum, embedded diagnostics and universal screening, differentiated small-group instruction, dedicated English Language Development (ELD) acceleration blocks, and ongoing teacher coaching. In mathematics, TEAM identifies continued implementation of Illustrative Mathematics, aligned pacing and assessment, coaching support, and an increased emphasis on conceptual understanding and discourse-rich instruction. The plan also establishes a formalized professional development and instructional coaching structure incorporating Universal Design for Learning, a multi-tiered system of supports, regular data cycles, instructional rounds, and defined intervention criteria.

The plan further identifies specific strategies to address chronic absenteeism, including a schoolwide positive attendance culture, early identification of students at risk of chronic absenteeism, individualized attendance plans, intensive intervention for students experiencing significant barriers to attendance, biweekly data review, and quarterly reporting to the Board of Trustees. TEAM also identifies teacher retention as an area requiring attention and proposes compensation benchmarking, phased salary improvements, professional growth pathways, coaching, and regular staff climate feedback.

These actions directly address the areas identified through TEAM's performance data. The plan identifies who is responsible for each action, establishes timelines for monitoring progress, identifies the data that will be used to measure progress, and provides for regular updates to the TEAM Board of Trustees. The evidence demonstrates that TEAM has moved beyond simply identifying areas of low performance and has developed a documented framework for addressing the instructional and systemic factors contributing to those outcomes.

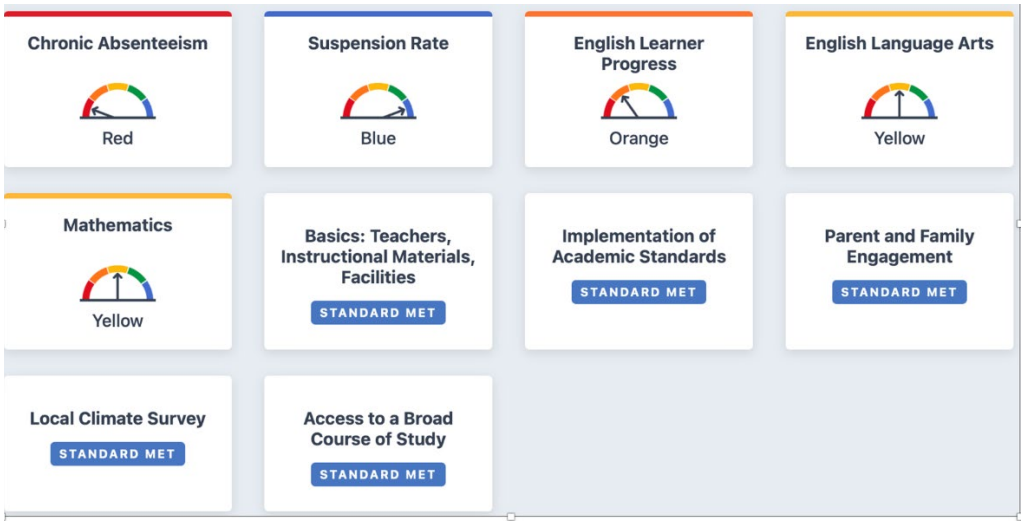
The SJCOE staff find that this recommended finding and the viability of TEAM's written plan to implement meaningful steps to address the underlying causes of low performance are explicitly and irrevocably dependent on TEAM's compliance with all the conditions the SJCOE staff recommend in this Staff Analysis and the proposed Resolution #26-27-07 approving the renewal with conditions be imposed on the approval of TEAM's renewal. The overall soundness and feasibility of the plan and TEAM's ability to successfully implement the plan is directly dependent on TEAM's development and implementation of a sound and complete renewal Charter and its ability successfully to implement that renewal Charter, which, in turn, is dependent on TEAM's compliance with the conditions the SJCOE staff recommend the SJCBOE impose on TEAM's renewal.

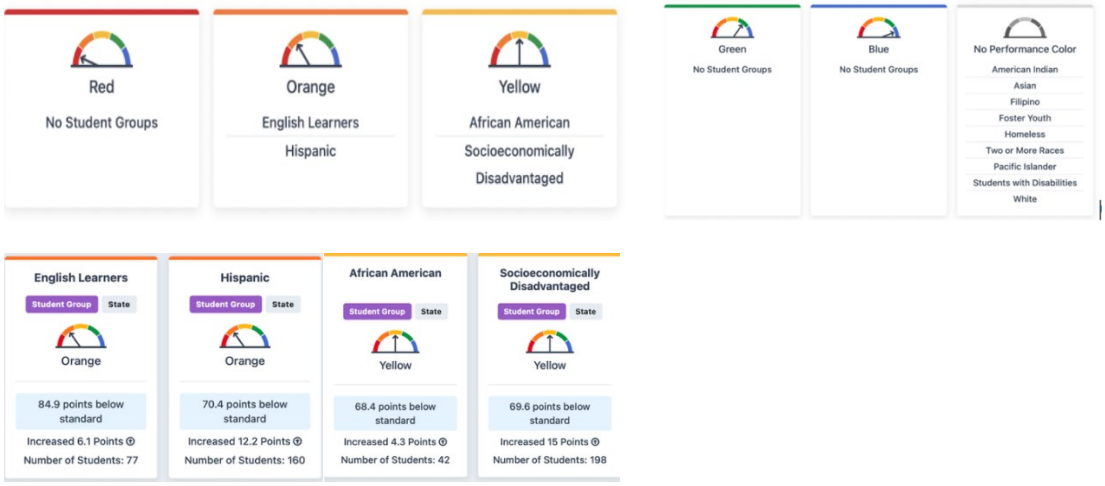
(B) There is clear and convincing evidence, demonstrated by verified data, showing the Charter School achieved measurable increases in academic achievement, as defined by at least one year's progress for each year in school.

The SJCOE staff find that the available evidence demonstrates measurable increases in academic achievement at TEAM, including measurable growth in statewide assessment results and student progress toward annual growth expectations.

TEAM's 2024–2025 California Assessment of Student Performance and Progress (CAASPP) results demonstrate improvement in the schoolwide ELA indicator, moving from Red in 2024 to Yellow in 2025, and improvement in the schoolwide mathematics indicator, moving from Orange in 2024 to Yellow in 2025. TEAM also demonstrated improvement across multiple numerically significant subgroups. In ELA, socioeconomically disadvantaged students moved from Red to Yellow, Hispanic students from Red to Orange, African American students from Orange to Yellow, and English Learners from Red to Orange. In mathematics, socioeconomically disadvantaged students moved from Orange to Yellow, Hispanic students from Orange to Yellow, and English Learners from Orange to Yellow, while the African American subgroup remained at Yellow.

TEAM Charter School 2025 California Dashboard:



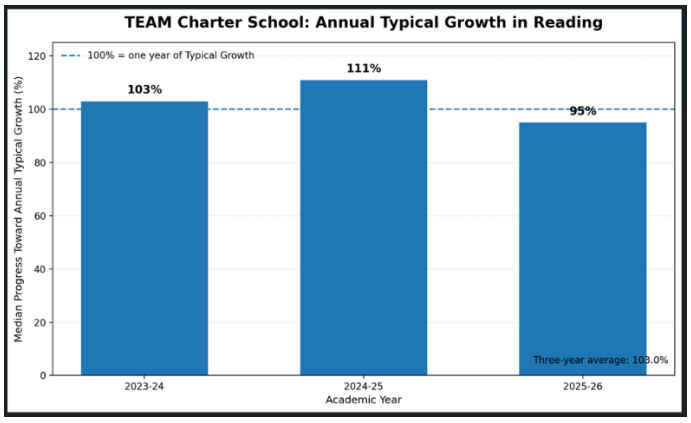


The CAASPP growth-point data further demonstrates measurable academic growth.

Measurement of TEAM Charter School Academic Performance - CAASPP English by Growth Points

School	2024	2025	Total 2-year growth points
Overall	0 Change	+9.1	+9.1
Hispanic	-4.2	+12.2	+8.0
African American	+13.3	+4.3	+17.7
Socioeconomically Disadvantaged	Maintained 2.1	+15.0	+17.1

TEAM's local progress-monitoring data provides additional evidence of student growth. According to the Petition, the median student achieved 103 percent of annual typical growth in reading in 2023–2024, 111 percent in 2024–2025, and 95 percent in 2025–2026, for a three-year average of approximately 103 percent of annual typical growth. Thus, reading growth exceeded the annual benchmark in two of the three years reviewed. In mathematics, median progress toward annual typical growth increased from 86 percent in 2024–2025 to 92 percent in 2025–2026.



Taken together, the evidence demonstrates measurable academic growth while also identifying areas in which continued improvement is necessary. The evidence therefore supports a finding that TEAM has demonstrated measurable increases in academic achievement and has established specific strategies to build upon that progress during the proposed renewal term.

III. If TEAM, as a low performing charter school, is not denied renewal based on that performance criterion, the SJCBOE shall grant the TEAM renewal Charter if it is satisfied that granting the Charter is consistent with sound educational practice and with the interests of the community in which TEAM is located. The SJCBOE shall consider the academic needs of the pupils TEAM proposes to serve. The SJCBOE shall not deny the Charter renewal on these bases unless it makes written factual findings, specific to the Charter, setting forth specific facts to support one or more of the findings set forth in Education Code Section 47605(c)(1)-(6):

A. TEAM does not present an unsound educational program for the pupils to be enrolled in the school.

The school is demonstrating positive progress in instructional practices, classroom climate, and schoolwide systems. Classroom visits have increased, routines and student engagement have improved, and more students are demonstrating on-task behavior. Designated ELD is occurring and is recognized by students, learning objectives are visible in classrooms, and Dashboard data, including absenteeism, has improved.

At the same time, the feedback suggests a need to move from improved structures and implementation toward greater instructional depth and consistency. Continued attention to rigor will be important so that improved engagement translates into deeper learning for all students.

The Charter includes some description of the curriculum, but it does not include the specific curriculum used at TEAM. The description of TEAM's instructional methods and how they are being used to support student progress towards meeting state standards are lacking in details and specifics.

As part of the charter renewal process, the SJCOE conducted interviews with a variety of TEAM stakeholders, including school administration, parents, students, faculty, and members of the Board of Trustees. These interviews provided an opportunity to gather perspectives on TEAM's educational program and model, its implementation, and the challenges facing the school. Discussions also provided insight into TEAM's efforts to improve student learning outcomes and its plans and capacity to address its low performance status. Information gathered through these stakeholder interviews informed the SJCOE's comprehensive review of TEAM's charter renewal request.

<u>Students with Special Needs</u>:

TEAM has been an independent local educational agency (LEA) member of the El Dorado County Charter Special Education Local Plan Area (SELPA), since July 2022 and provided written verification that it is currently a member in good standing and has demonstrated LEA capacity. As such, TEAM is responsible for compliance with the Individuals with

Disabilities Education Act (IDEA) including responsibility for providing Free and Appropriate Public Education (FAPE) and the full continuum of special education services and placements to TEAM students. This should be clearly specified in any MOU.

The Charter describes TEAM's responsibilities as an independent LEA for special education, including Child Find, assessment, IEP development and implementation, staffing, related services, transfers, and Non-Public School/Non-Public Agency (NPS/NPA) responsibilities. The Charter also addresses TEAM's responsibility to provide FAPE in the least restrictive environment and to provide or arrange for the full continuum of special education services and placements based on individual student needs. Appendix E of the renewal Charter provides current verification from the El Dorado County Charter SELPA that TEAM is a member in good standing and has demonstrated capacity to function as a LEA for special education.

The renewal Petition and its Appendix D include a detailed plan for how TEAM will comply with Section 504 of the Rehabilitation Act of 1973. The Charter includes an assurance that TEAM will also comply with the Americans with Disabilities Act of 1992. The MOU should explicitly acknowledge that TEAM is responsible for compliance with both Section 504 and the Americans with Disabilities Act.

The Charter presents a sound educational program if, as a condition of approval, the various issues noted throughout this Staff Analysis, and the noted issues with the educational program description, are addressed, clarified, and supplemented through an MOU.

B. The Petitioners are not demonstrably unlikely to successfully implement the program set forth in the Petition.

The concerns and conditions detailed throughout this Staff Analysis are hereby incorporated into this section by reference. As noted above, a failure by TEAM to comply with the conditions and remediate the concerns described herein, would establish that TEAM is demonstrably unlikely to successfully implement the program set forth in the Charter for the reasons detailed herein regarding each condition.

The renewal Charter includes the following inaccurate and unacceptable term: "*The records of the Charter School are public records under the California Public Records Act. However, a record differs meaningfully from a report that must be newly prepared. If the SJCOE requests a special report of the Charter School that is neither an existing record nor a record required by applicable law, by this charter or by the Charter School's annual MOU, then the SJCOE agrees to pay to TEAM Charter School the Charter School's actual cost of producing such a report*."

This assertion is inconsistent with the Charter Schools Act and TEAM's obligations pursuant thereto. The SJCBOE/SJCOE is TEAM's chartering authority, and Education Code Section 47604.3 mandates, "*A charter school and an entity managing a charter school shall promptly respond to all reasonable inquiries, including, but not limited to, inquiries regarding its respective financial records and contracts, from its chartering authority, the county superintendent of schools that has jurisdiction over the charter school's chartering authority, or from the Superintendent and shall consult with the*

chartering authority, the county superintendent of schools, or the Superintendent regarding any inquiries." As such, TEAM is required promptly to respond to all reasonable inquiries from the SJCOE and it has no authority to require the SJCOE to pay TEAM for producing such responses, which are a duty and obligation of TEAM as a California charter school. Moreover, while it is accurate that TEAM and Transformational Education Inc. are subject to the California Public Records Act (CPRA), the SJCOE's entitlement to review and receive copies of TEAM's records are not pursuant to or limited by the CPRA. TEAM's effort to impose this inappropriate restriction and/or requirement on the SJCOE'S oversight would violate the Charter Schools Act and demonstrate TEAM's inability lawfully and successfully to implement the program set forth in the Charter. As such, the SJCOE staff recommend that as a condition of renewal, the MOU specify that this provision of the Charter is invalidated and of no force or effect.

The renewal Charter includes the following inaccurate and unacceptable term: "*SJCOE may inspect or observe any part of the Charter School at any time. The SJCOE agrees it will not do so unreasonably, without notice, or by causing a disruption of student instruction or the Charter School operations except in the case of emergency*." Education Code Section 47607(a)(5) specifies: "*The chartering authority may inspect or observe any part of the charter school at any time*." TEAM may not use language it unilaterally proposes in its renewal Petition to attempt to limit or restrict the SJCOE's rights and authority, including its inspection rights. This is not to imply that the SJCOE will be unmindful of student instruction at TEAM, but it will not agree to this attempt by TEAM to impose a requirement that limits the SJCOE's oversight authority in violation of its rights and obligations pursuant to the Charter Schools Act, which would demonstrate TEAM's inability lawfully and successfully to implement the program set forth in the Charter. As such, the SJCOE staff recommend that, as a condition of renewal, the MOU specify that this provision of the Charter is invalidated and of no force or effect.

As noted above, the renewal Charter includes the following statement regarding the Charter term: "*Upon approval of this charter renewal petition by SJCOE, the charter shall be deemed immediately granted and petitioners are authorized to commence school operations for a period of two school years (2027-28, 2028-29)*." However, TEAM does not control SJCBOE's actions and that statement does not govern the nature of SJCBOE's action on the renewal request. If the SJCBOE implements the SJCOE staff's recommendation that the renewal be granted only with conditions, any approval will be subject to TEAM's compliance with the adopted conditions, and the renewal will not be deemed immediately granted, but will be dependent on TEAM's compliance. If TEAM fails to comply, the alternative findings of denial recommended by the SJCOE staff will go into effect and the renewal will be denied. As such, the SJCOE staff recommend that, as a condition of renewal, the MOU specify that this provision of the Charter is invalidated and of no force or effect.

The renewal Charter includes several provisions, in addition to those quoted herein, that describe or imply agreements, commitments, or actions on the part of the SJCOE and/or the SJCBOE. The Charter is intended to describe TEAM's proposed operations as a charter school; however, it does not authorize TEAM to make commitments or agreements on behalf of SJCBOE, the SJCOE, or the County Superintendent. Accordingly, approval of the renewal Charter should not be interpreted as agreement by the SJCBOE, the SJCOE,

or the County Superintendent to any terms or commitments beyond their respective legal obligations as the chartering authority, unless expressly agreed to by the appropriate party. Specific terms and responsibilities may be addressed through the MOU among the SJCOE, TEAM, and Transformational Education Inc. To promote clarity and a shared understanding of the respective roles and responsibilities of all parties, the SJCOE staff recommend that, as a condition of renewal, the MOU expressly clarify that any Charter provisions claiming to establish commitments or obligations on behalf of the SJCBOE, the SJCOE, or the County Superintendent are not binding unless separately agreed to by the appropriate party. This clarification will help ensure that the Charter and MOU accurately reflect the respective authority and obligations of all parties and provide a clear framework for successful implementation of TEAM renewal Charter.

C. The Petition contains an affirmation of each of the conditions described in Education Code Section 47605(e).

The Charter includes the required affirmations, except it does not specify that TEAM will post the CDE notice regarding the requirements in Education Code Section 47605(e)(4)(A)-(D) on its website. The MOU shall specify TEAM's commitment to maintaining that notice on its website.

The SJCOE confirmed that the notice is currently posted on the TEAM website.

D. The Petition contains reasonably comprehensive descriptions of all the required elements.

This section of the Staff Analysis includes highlights regarding the various required charter elements. In order for the description of each element to be considered "reasonably comprehensive," it is not enough that the Charter includes a description, but, rather, the description should set forth plans or proposals that are acceptable to the SJCOE and be consistent with and not contrary to the law and the SJCOE's standards and expectations for charter schools under its oversight. The SJCOE's indication that the description of an element is "reasonably comprehensive" should not be interpreted to mean the SJCOE does not believe additional or different terms relating to an element would need to be agreed to by TEAM through an MOU. Further, while the SJCOE may make recommendations for remediation in an area or specify issues or terms that will need to be clarified or resolved through an MOU, this does not mean other areas may not need additional correction or clarification to be included in the MOU. Further, the SJCOE's determination that an element is reasonably comprehensive may be premised on noted issues being remediated through the MOU process.

The SJCOE staff found, as detailed below, additional specificity and requirements governing TEAM's educational program, governance, and operations, including its compliance with the required charter elements, will need to be addressed through an MOU among TEAM, Transformational Education Inc., and the SJCOE. The SJCOE staff recommend the SJCBOE, as a condition of renewal, require TEAM to address, to the SJCOE's satisfaction, the SJCOE's various concerns through such an MOU.

1. Element One: Description of the Educational Program/Plan for Student Academic Achievement

The discussion regarding the educational program set forth above is hereby incorporated herein by this reference.

Overall, there are signs of improvement in classroom management, instructional monitoring, and the visibility of learning objectives, but several areas need greater consistency and depth. Differentiation is not yet consistently evident for students performing above or below grade level, and TEAM's supports for English learners, particularly during integrated ELD, need to be more intentionally embedded throughout instruction. While observations and walkthroughs are occurring, instructional coaching could be strengthened through increased content knowledge among instructional leaders.

Student engagement and ownership also remain areas for growth. Students would benefit from a clearer understanding of the purpose behind learning objectives, more opportunities for academic discourse and meaningful choice, and greater leadership within the classroom. Checking for understanding is occurring inconsistently and is often limited to Depth of Knowledge (DOK) One, reducing opportunities for teachers to assess deeper understanding and adjust instruction.

The SJCOE staff believe this element includes a reasonably comprehensive description if the issues described above and throughout this Staff Analysis are supplemented and refined through an MOU.

2. Element Two: Measurable Student Outcomes

TEAM's renewal Charter and its Local Control and Accountability Plan (LCAP) describe both state and local measurable pupil outcomes that TEAM uses to determine if its pupils demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in TEAM's educational program and include outcomes that address increases in TEAM pupil achievement, schoolwide and for its pupil subgroups. The data is reviewed annually by student groups to ensure progress towards target outcomes. TEAM's measurable pupil outcomes align with the state priorities as required to be included in the LCAP.

The SJCOE staff believe this element includes a reasonably comprehensive description.

3. Element Three: Method by Which Pupil Progress in Meeting Outcomes will be Measured

TEAM's Charter describes the methods by which it measures its students' progress towards meeting the Charter School's measurable pupil outcomes. TEAM's means of measuring pupil outcomes in the state priorities are consistent with the way information is reported on a School Accountability Report Card (SARC).

However, the Charter and TEAM's corrective action plan do not include evidence that TEAM's assessments are being properly and effectively used to inform instruction and support student outcomes. It is imperative that assessments not only be administered, but that TEAM systematically analyze and use assessment results to improve instruction and student outcomes. Teachers should regularly review student performance data and use the results of that analysis to make timely adjustments within their classrooms, including changes to instructional strategies, differentiation, interventions, supports, and opportunities for extension based on identified student needs.

This is an area that requires additional development by TEAM in order to strengthen its educational program and corrective action plan and to assist TEAM in taking meaningful steps to address the underlying causes of its low performance. If the Charter is renewed, TEAM should be required, as a condition of renewal, to include in the MOU an updated corrective action plan with a more robust and detailed plan for how assessment data will be routinely analyzed and translated into instructional decisions designed to improve student learning and outcomes.

The SJCOE staff believe this element includes a reasonably comprehensive description if the issues described above are supplemented and refined through an MOU and revisions to TEAM's corrective action plan.

4. Element Four: Governance Structure

The Charter School is operated by a California nonprofit public benefit corporation with tax-exempt status governed by a Board of Trustees. The name of the nonprofit corporation is Transformational Education Inc. The Board of Trustees consists of at least five members and is currently comprised of seven members. TEAM included the required biographical information about its current Trustees.

The Charter acknowledges the requirements that TEAM and Transformational Education Inc. shall comply with public transparency laws, including the Brown Act, the CPRA, Government Code Section 1090, the Political Reform Act of 1974, and Education Code Section 47604.1. TEAM has adopted a conflict of interest code policy.

The Charter notes the importance of parent and family involvement, including through a Parent Teacher Organization (PTO) and English Learner Advisory Committee (ELAC). The Charter indicates that the PTO and ELAC provide parents the opportunity to be part of TEAM's decision-making process, as well as fundraising efforts, extra-curricular events, and classroom activities. The Charter is required to describe how it ensures parent/guardian involvement in governance of the Charter School. If the Charter is renewed, TEAM should be required, as a condition of approval, to provide additional information in the MOU about how the PTO is involved in Charter School governance or provide for additional means by which TEAM ensures such involvement.

While acknowledging the SJCBOE's legal right to appoint a representative to the Board of Trustees, the Charter fails to acknowledge that the authority to appoint, remove, and determine the length and terms of service by such a representative are in the sole discretion of the SJCBOE or its designee. The Bylaws do exempt a chartering authority's representative from the general appointment and removal standards and procedures, but additional clarity on these points should be included in the MOU as a condition of renewal.

The Bylaws provide for action by a majority of a quorum, rather than a majority of all Trustees, thus providing for action by less than a majority of the Board of Trustees. The Bylaws do not require any actions to be taken by a majority of the entire Board then in office, including amendments to the Bylaws or Articles of Incorporation, entering into a financial commitment, submission of a charter petition for a new school, closing a school, and appointment and removal of Trustees. The MOU should include requirements for action by a majority of the entire Board, such as important matters identified in this paragraph.

The Charter provides for delegation of some of its duties, though specifies some duties may not be delegated, including duties the delegation of which is prohibited by law. Similarly, the Bylaws provide for delegation of most of the Board of Trustees' duties to a committee of two or more Trustees with few limitations on that authority. As a condition of approval, TEAM must specifically acknowledge and agree that it may not delegate its authority (to a committee or to another entity or individual) to authorize a request to materially revise or renew its Charter, an action or decision to close the Charter School, or an action to revise its governance documents. Moreover, actions legally required of the Governing Board, including approval of the LCAP, audit, and contracts of over 100,000 dollars in a fiscal year, may not be delegated to a committee of the Board, but must be taken by the full Board at an open public meeting.

The Bylaws provide for up to 49 percent of the Trustees to be "interested persons." While this is permitted by the law governing nonprofit corporations, it is generally inconsistent with the prohibitions against conflicts of interest and transparency mandates for public charter schools, other than the specific authorization for charter school employees to serve on the Board pursuant to Education Code Section 47604.1. This should be addressed through the MOU.

Approval of the TEAM renewal would require compliance with additional best practices and the SJCOE oversight standards related to charter school governance, including appropriate updates to Transformational Education Inc.'s governance documents. Examples of these best practices include, but are not limited to, the following:

a. Requiring Transformational Education Inc. to provide evidence that it has been granted tax exempt status and to commit to maintaining that status throughout the term of its Charter.

b. Requiring that, prior to any proposed revisions to the corporate Articles of Incorporation and/or Bylaws, the Charter School shall provide at least three weeks prior notice to the SJCOE of the proposed revision(s). Should the SJCOE indicate that the SJCOE considers the proposed revision(s) a material revision to the Charter, TEAM may not adopt such revision(s) unless and until it first obtains approval of a material revision. Additionally, the discussion of revisions in the Bylaws must be updated to be consistent with these requirements. The Bylaws currently provide for three weeks advance notice, but do not include the other requirements related to the SJCOE's determination regarding whether the proposed revision constitutes a material revision to the Charter.

c. Mandating training for the Board of Trustees and administrative leadership on the Brown Act, the Political Reform Act, Government Code Section 1090, and the CPRA at least annually and within 90 days of taking the position with TEAM/Transformational Education Inc. This training shall be conducted by an individual or entity with professional knowledge and expertise in the law, regulations, and rules governing these provisions and not by the Charter School's own Board of Trustees or administrators. Compliance with legally required ethics training shall also be specified in the MOU.

d. Requiring Transformational Education Inc. to maintain its conflict of interest code in conformance with the Fair Political Practices Commission's Conflict of Interest Code and the related designation of employees and the formulation of disclosure categories that Transformational Education Inc. has adopted.

The SJCOE staff believe this element includes a reasonably comprehensive description if the issues described above and the SJCOE's other standards and best practices regarding charter governance are supplemented and refined through an MOU.

5. Element Five: Employee Qualifications

The Charter sets forth minimum and preferred qualifications for TEAM employees. The MOU must make it explicit that TEAM may not reduce the minimum qualifications from those specified in the Charter without a determination from the SJCOE whether the proposed revision is a material revision to the Charter.

The Charter specifies all teachers are required to hold a California Commission on Teacher Credentialing (CTC) certificate, permit, or other document required for the teacher's certificated assignment. It also notes that all teachers shall have or "be working towards" English Language (EL) authorization as required for their assignment. The MOU must clarify that teachers will only be assigned in accordance with their authorization as permitted by law.

The Principal and Vice Principal are required to hold a valid teaching credential, but the requirement should be clarified that the required credential be from California or one that is transferrable from another state, which the SJCOE staff believe is essential to the proper conduct of their assigned job duties. Moreover, the narrative description of the Principal's role and qualifications specifies that a master's degree and administrative credential are required, but those qualifications were omitted from the list of minimum qualifications in the Petition. As a condition of renewal, the SJCOE staff recommend that the MOU be required to specify that these are minimum qualifications for the position of Principal, consistent with the Charter narrative. The SJCOE staff further recommend that TEAM consider adding these qualifications to the position of Vice Principal as well, given the job duties of that position.

The Executive Director and Deputy Director positions do not require a teaching credential, but require experience in school operations or leadership, with charter school experience preferred. The positions also require knowledge of charter law, finance, and business management and leadership skills, among other qualifications.

The description of the minimum qualifications for teaching TK is incomplete and must be revised to include all legally required elements.

The Charter does not specify the number of staff TEAM anticipates employing in each category and which positions are necessary to implement the educational program. TEAM should provide additional detail on the staffing plan, in order to assess the Charter School's plans to improve student outcomes.

A specific commitment to comply with Assembly Bill (AB) 2534 and Senate Bill (SB) 848 concerning potential employee egregious misconduct checks, mandated reporting, and pupil safety should be included in any MOU.

While not specified in the Charter, pursuant to law, credentialing documents must be maintained at the school site.

The SJCOE staff believe this element includes a reasonably comprehensive description only if the above concerns are addressed in the MOU.

6. Element Six: Health and Safety Procedures

The SJCOE notes that the Charter refers to "classified" employees, but that is a term defined in Education Code Section 45103(a), which does not apply to TEAM employees. These references should be to "non-credentialed" employees and are interpreted as such.

As noted above, the MOU should specifically commit to comply with the new and updated requirements imposed by AB 2534 and SB 848 concerning potential employee egregious misconduct checks, mandated reporting, and pupil safety. (The Charter has been updated to reference the expansion of the requirements related to mandated reporters.)

The Charter specifies TEAM will adopt and implement full health and safety procedures and risk management policies in consultation with its risk management experts and insurance carriers, and include those policies, as appropriate, in student and staff handbooks. It also specifies that the Executive Director and Board of Trustees review the policies on an ongoing basis. Any MOU should specify that TEAM's ongoing review and updates will be conducted in consultation with legal counsel, insurance carriers, and risk management experts.

The Charter also provides an appropriate overview of TEAM's health and safety procedures, including for employee background checks. The Student & Family Handbook included as Appendix J to the renewal Charter also includes required health and safety plans.

The Charter specifies TEAM will provide a school free of discrimination and sexual harassment or harassment on the basis of any protected characteristic and adopt a comprehensive antidiscrimination and harassment policy. However, this discussion does not specifically acknowledge TEAM's obligations pursuant to the Uniform Complaint Procedures or Title IX. Those obligations are mentioned in the discussion of internal disputes, but additional information about these obligations should be included in the MOU.

The discussion of the school safety plan specifies that TEAM will include all the safety topics in Education Code Section 32282(a)(2)(A)-(N). TEAM is required to provide information about the safety plans to the SJCOE and should be included in the MOU.

The Charter does not contain an assurance that TEAM will comply with the Asbestos Hazard Emergency Response Act (AHERA), as it is required to do. While not every law with which a charter school must comply must be listed in the Charter, compliance with AHERA should be memorialized in an MOU.

The SJCOE staff believe this element includes a reasonably comprehensive description if the above-noted matters are addressed in an MOU.

7. Element Seven: Racial, Ethnic, English Learner, and Special Education Balance

The Charter specifies TEAM's commitment to serving a diverse student population and continuing to work to achieve the pupil balance provided for in the Charter Schools Act in accordance with federal and state law. The Charter identifies a variety of outreach, recruitment, and marketing techniques TEAM will use and community events in which it will participate in order to conduct broad outreach and recruiting and strive to achieve this balance. Additionally, the Charter specifies TEAM will continuously collect data on the effectiveness of its recruitment strategies, establish a feedback mechanism to provide input on the recruitment process and ways to improve, and regularly review and adjust its recruitment plan based on the data and feedback it collects.

The SJCOE staff believe this element includes a reasonably comprehensive description.

8. Element Eight: Admission Policy and Procedures

In the event there are more applicants than spaces at a particular grade level, the Charter specifies TEAM will determine admission using a public random drawing. Pursuant to law, current students of the Charter School are entitled to remain enrolled and are exempt from the drawing process. In the event a public random drawing is required, TEAM specifies its intent to implement the following preferences in the following order:

- *Siblings of students currently admitted to or attending TEAM Charter School*
- *Children of TEAM Charter School employees, not to exceed ten percent of the total enrollment of the Charter School*
- *Students who reside in the Stockton Unified School District*
- *All other students permitted by law*

Other than the preferences for residents of Stockton Unified School District, whether to permit the proposed preferences is within the discretion of the SJCBOE.

The requested preference for siblings of students who are "currently admitted to" TEAM would require further explanation. As proposed in the renewal Charter, it appears that if two or more siblings who do not attend TEAM both apply for admission for the same year, immediately upon one of those siblings receiving a place through the lottery, the other sibling would automatically be entitled to an admission preference because their sibling is now "currently admitted," even though neither of the siblings are current TEAM students. The renewal Charter does not, however, explain the specifics of how the admitted sibling preference would be implemented in practice, particularly if a sibling is drawn in the lottery after their sibling in a lower grade was placed on the waitlist rather than offered admission. If the Charter is renewed, the process for implementing the admitted sibling preference, and ensuring that it is only a preference, not an exemption from the public random drawing process, including if one sibling is admitted or waitlisted during the drawing and another sibling(s) is participating in the same drawing must be clearly described in the MOU. The SJCOE staff recognize the benefits of allowing families to enroll all of their children at the same school, so recommend that the SJCBOE approve the addition of the preference for siblings of students who are admitted to TEAM on the condition that TEAM is able to describe in the MOU to the SJCOE's satisfaction a process that does not exempt siblings from the public random drawing process and complies with the overall admissions process and procedures. If TEAM is not able to provide a clear and complete description of how the admitted sibling preference will be implemented to the SJCOE's

satisfaction, the first level of preference should be limited to siblings of currently enrolled TEAM students, rather than to also include siblings of "admitted" students.

The Charter specifies that the application for admission is simple and non-discriminatory. In accordance with the SJCOE's standards and best practices, if the Charter is renewed the MOU should be required specifically to limit the information that may be included on the admissions application in order to ensure students are not improperly discouraged from attending or that families are not requested to provide protected information, and to be consistent with the prohibition against requesting pupil records before enrollment. Additional clarification of waitlist and public random drawing procedures, and related information consistent with the SJCOE's standards and best practices, should also be required to be included in the MOU.

The SJCOE staff believe this element includes a reasonably comprehensive description if the issues described above are addressed and refined through the MOU.

9. Element Nine: Student Suspension/Expulsion Procedures

The Charter contains general statements regarding its suspension, expulsion, and involuntary removal policies and procedures, and specifies that the actual procedures are set forth in the Student & Family Handbook, which is attached as Appendix J to the renewal Charter. That Student & Family Handbook includes separate suspension and expulsion procedures and involuntary removal procedures, though the latter specify that if a hearing is requested prior to involuntary removal, TEAM will use the same notice and hearing process as applies to an expulsion. The Student & Family Handbook also includes information about truancy that implicates involuntary removal.

As an initial matter, the Charter is required to include a reasonably comprehensive description of these policies and procedures. By including this description in the attached Student & Family Handbook, TEAM has nonetheless committed to those policies and procedures. The Student & Family Handbook incorrectly asserts that TEAM's policy and procedures for student suspension, expulsion, and involuntary removal may be *"amended from time to time without the need to seek a material revision of the charter so long as the amendments comport with legal requirements."* The causes for suspension, expulsion, and other involuntary removal and the procedures to be followed by TEAM as set forth in the Charter (and, in this case, the Student & Family Handbook and an MOU) govern these procedures at TEAM. The Charter School may not substantively revise the causes and/or procedures, except to comport with requirements of law or to track revisions to the causes and procedures applicable to non-charter California public schools, without TEAM first obtaining a determination from the SJCOE whether the proposed revision(s) is a material revision to the Charter. The statement in the Charter via the Student & Family Handbook to the contrary, claiming authority for TEAM unilaterally to amend these policies and procedures, is incorrect and inconsistent with the law. As a condition of approval of the Charter, this provision must be revised through the

MOU, and TEAM must acknowledge the need to obtain a prior determination from the SJCOE whether any proposed revision(s) is a material revision to the Charter.

The Charter School's current expulsion procedures do not articulate procedures for the development, implementation, and periodic review of rehabilitation plans for expelled students, nor do they establish a process for evaluating and determining eligibility for readmission in a manner consistent with the requirements of AB 1230, which became effective January 1, 2026. AB 1230 amended provisions of the Education Code governing student discipline, specifically, Education Code sections 48916, 48916.1, and 48926, to impose additional obligations related to individualized rehabilitation planning, ongoing progress monitoring, and equitable access to readmission. Because TEAM implements student discipline and expulsion procedures in alignment with Education Code Section 48900 *et seq.*, and is required to afford students due process in the suspension, expulsion, and involuntary removal processes, it should update its procedures to be consistent with these amended statutory requirements applicable to non-charter public schools and to protect student's educational rights. Accordingly, the MOU should incorporate compliant procedures that ensure expelled students are provided with individualized rehabilitation plans, opportunities for periodic review of progress, and fair and accessible processes for readmission.

TEAM's procedures also include a misstatement regarding the standards related to support persons for a complaining witness in an expulsion procedure for sexual assault or battery, which must be corrected via updates to the procedures documented in the MOU.

TEAM is authorized by SJCOE and TEAM is an independent LEA member of the El Dorado County Charter SELPA for purposes of compliance with the IDEA. However, its policies for suspension, expulsion, or involuntary removal of students with disabilities are premised on notification and coordination of procedures with "the District." This portion of the policy must be updated and corrected.

The Student & Family Handbook references the use of alternative means of correction prior to or in lieu of suspension or expulsion, and it specifies these alternatives "shall use a research-based framework with age-appropriate strategies that improve behavioral and academic outcomes while addressing and correcting the student's specific misbehavior." However, there is no additional detail regarding such alternatives that will or may be implemented at TEAM.

After following its "Attendance Policy," TEAM also proposes involuntary removal of students for truancy. TEAM asserts this is necessary because it is a school of choice and a truant student is depriving another student of the opportunity to attend TEAM (notwithstanding that TEAM has experienced declining enrollment year over year, indicating it has additional capacity). The referenced Attendance Policy was not provided in the Charter or in the Student & Family Handbook (though it is referenced as available on the school website). As previously noted, the specifics of any such policy must be included in the Charter or its appendices (reference to a current version on the website is inadequate), and TEAM may not deviate from those

procedures without first determining if any proposed revision is a material revision to the Charter. Moreover, TEAM is a public school and is responsible for serving all students, and responding to conduct, including truancy, that impedes those students' educational experiences. Simply removing a student from attendance at TEAM in response to truancy, rather than implementing a School Attendance and Review Board (SARB) process, is generally inconsistent with TEAM's educational responsibilities and may also be inconsistent with Education Code Section 47605(e)(4)(C), depending on the root cause(s) of the truancy. The specifics of the process by which TEAM proposes to respond to and attempt to remediate truancy prior to seeking involuntary removal are pertinent to assessing this proposal. As such, as a condition of renewal, TEAM should be required to provide the specifics of its procedures for responding to truancy in the MOU and may be required to cease using truancy as a basis for involuntary removal, dependent on the SJCOE's review and determination regarding TEAM's proposed process.

The SJCOE staff believe this element includes a reasonably comprehensive description only if each of the above described concerns is fully addressed through the MOU process and appropriate revisions and updates to TEAM's suspension, expulsion, and involuntary removal procedures and Student & Family Handbook. Moreover, notwithstanding the language in the Student & Family Handbook to the contrary, TEAM may not substantively revise those policies and procedures without first obtaining a determination from the SJCOE whether the proposed revision constitutes a material revision to the Charter, and, if so, complying with the material revision process.

10. Element Ten: Employee Retirement Systems

The Charter specifies that eligible staff participate in the State Teacher's Retirement System (STRS) and other staff participate in social security. TEAM may also establish other retirement plans that include, but are not limited to, 403(b) or 401(k) plans. The Deputy Director is responsible for ensuring appropriate coverage arrangements. While the addition of other retirement plans is appropriate, the MOU should make clear that TEAM may not either eliminate or materially reduce the retirement options specified in the Charter without first obtaining a determination from the SJCOE as to whether the proposed change is a material revision to the Charter.

The SJCOE staff believe this element includes a reasonably comprehensive description, with the inclusion in the MOU of the clarification noted above.

11. Element Eleven: Public School Attendance Alternatives

The Charter correctly specifies that students who choose not to attend TEAM may attend other public schools within their home district in accordance with district policy, or other schools in accordance with their home district's inter- and intra-district attendance policies. It also notes that students who attend TEAM have no right to admission to a particular school except as such right is granted by the local educational agency.

This element also specifies, *"Transportation is the parental responsibility for families who choose to attend TEAM unless such transportation is provided by the Charter School at its sole discretion."* However, TEAM must provide transportation when required by law, including, but not necessarily limited to, the IDEA, the McKinney-Vento Homeless Assistance Act, and the requirements for services to foster youth.

The SJCOE staff believe this element includes a reasonably comprehensive description, but TEAM's commitment to comply with its obligations to provide transportation as required by law must be specified in the MOU.

12. Element Twelve: Description of the Rights of An Employee of the County Superintendent of Schools, Upon Leaving the Employment of the County Superintendent of Schools to be Employed by the Charter School

The Charter correctly specifies that employees of any school district or the SJCOE who leave their employment positions to work at TEAM have only such rights to return as may be granted by that prior employer and that TEAM has no authority to bind the SJCOE to re-employ a former employee or grant a leave to work at TEAM. The SJCOE notes that the County Superintendent is the employer of all employees at the SJCOE.

The SJCOE staff believe this element includes a reasonably comprehensive description.

13. Element Thirteen: Dispute Resolution

The Charter sets forth a proposed dispute resolution procedure for disputes between TEAM and the SJCBOE. The SJCOE has updated its acceptable dispute resolution process to take account of recent changes to the Charter Schools Act, and, as a condition of renewal, the updated dispute resolution procedures should be required to be included in the MOU. Additionally, the internal dispute resolution procedure in the Charter references TEAM's obligation to review and update its complaint procedures and adopt a Uniform Complaint Procedure and Title IX procedure by July 31, 2021. TEAM needs to affirm it has adopted the requisite procedures and continues to review and update its complaint procedures as necessary and/or as required by law.

The SJCOE staff believe this element technically includes a description, but as a condition of renewal of the Charter, the actual dispute resolution procedures would need to be revised through the MOU to comport with the SJCOE's current best practices.

14. Element Fourteen: Closure Protocol

The Charter describes closure procedures. Additional specificity regarding closure procedures and the handling and transfer of records consistent with the SJCOE's standards and best practices should be included in an MOU.

The Charter specifies "*all ADA apportionments and other revenues generated by students attending the Charter School, remain the sole property of the nonprofit public benefit corporation*" upon closure of the Charter School. ADA and other student-generated revenue need to be committed (and transferred if necessary) to another public school or educational entity operating in San Joaquin County upon closure of TEAM (which could be another Transformational Education Inc.-operated school if there is one). If TEAM/Transformational Education Inc. is not providing such services, it should not retain those funds. This should be addressed through an MOU as a condition of renewal.

The SJCOE staff believe this element includes a reasonably comprehensive description if supplemented and refined through the MOU in accordance with the above discussion.

E. A declaration of whether or not TEAM shall be deemed the exclusive public employer of the employees of TEAM for purposes of the EERA.

The Charter includes the required statement that Transformational Education Inc. will be deemed the exclusive public employer of the employees of TEAM for purposes of the EERA.

IV. Additional Required Information:

The petitioners are required to provide information regarding the proposed operation and potential effects of the school including but not limited to:

A. The facilities to be used by TEAM, specifying where TEAM proposes to locate.

The Charter specifies the addresses at which TEAM operates.

B. The manner in which administrative services of TEAM are to be operated.

The Charter specifies that TEAM will provide or procure its own administrative services and notes that the SJCOE and TEAM can mutually agree on TEAM's purchase of any optional services from the SJCOE, though TEAM does not anticipate doing so. TEAM currently contracts with business management consultants ICON School Management for fiscal and compliance services. The MOU should be required to include minimum qualifications for a professional (whether employee, consultant, or consultant group) to carry out the Charter School's business and fiscal services to help ensure the fiscally sound operation of TEAM in accordance with law as there is no guarantee that TEAM will continue to contract with ICON for such services. The Charter also specifies TEAM's commitment to enter into an MOU with the SJCOE, though contrary to the statement in the Charter, as a condition of renewal, such MOU will be incorporated into the Charter and a material violation of the MOU shall constitute a material violation of the Charter as the MOU terms are fundamental and necessary to TEAM's compliance with the standards and findings for renewal.

C. Potential civil liability effects, if any, upon TEAM and upon the SJCBOE/SJCOE.

The Charter includes an insurance provision that is generally consistent with the SJCOE's risk management standards for charter schools under its oversight, though as a condition of renewal and in order for TEAM successfully to implement the program set forth in its Charter, including by protecting TEAM and its stakeholders as well as SJCBOE and the SJCOE from potential civil liability effects of TEAM's operations, the MOU will need to include any additional and/or updated insurance requirements to be consistent with the SJCOE's risk management standards. Additionally, the SJCOE recently determined as part of its oversight of TEAM's operations that TEAM's insurance was not consistent with the requirements of its current MOU with the SJCOE. If the Charter is renewed, it is imperative that TEAM comply fully with all terms of its Charter and all MOUs or other agreements with the SJCOE, specifically including but not limited to maintaining at all times insurance coverage that complies fully with all applicable terms and requirements.

The renewal Charter's discussion of insurance acknowledges the need for TEAM to indemnify, defend, and hold harmless the SJCBOE and the SJCOE, but there is no specific provision to this effect in the Charter nor an explicit commitment to agree to such a provision through the MOU. As a condition of any approval of the Charter renewal, in order for TEAM successfully to implement the program set forth in its Charter, including protecting its chartering authority from liabilities on behalf of TEAM, it would be essential that Transformational Education Inc. and TEAM enter into an MOU with the SJCOE fully committing to the SJCOE's required indemnification, defense, and hold harmless requirements consistent with the SJCOE's risk management standards.

D. Financial statements that include a first-year operational budget, including startup costs, and cash flow, and financial projections for the first three years of operation.

Background:

State law requires charter school petitions to include specified financial statements and projections, TEAM provided the required financial documents.

The SJCOE staff determined that TEAM's financial plan is based on reasonable assumptions and estimates.

The SJCOE staff's objective in analyzing the Charter and submitted fiscal projections is to determine if the renewal Petition presents a strong financial plan based on reasonable assumptions and estimates, ultimately to determine if the Charter School is demonstrably unlikely to successfully implement the program set forth in the Petition.

The TEAM renewal Charter presents a financial plan (revenues, expenditures, and change in fund balance, and related cashflow statement) for 2026-27 through 2028-29, which is the entire length of any renewal term that may be granted to TEAM.

The Charter's plan shows that the Charter School can meet its estimated expenditures with its estimated revenues. The Charter School is starting from a healthy position with an estimated beginning fund balance of 10,562,720 dollars, which is 92 percent of its estimated 2026-27 expenditures. This matches the ending balance from the 2025-26 Estimated Actuals submitted to the SJCOE in June 2026.

In each subsequent year, revenues are estimated to exceed projected expenditures.

One thing to note is the total unrestricted/restricted and net increase/decrease is similar to what TEAM submitted in June 2026 for its 2026-27 Adopted Budget, but the renewal Petition is submitted in total without the breakdown by unrestricted/restricted. By submitting the projections in this manner, TEAM is masking its structural deficit in the unrestricted. Currently the total fund balance is about half unrestricted and restricted. The figure below is from TEAM's 2026-27 Adopted Budget and illustrates the year over year depletion of TEAM's unrestricted fund balance.

Description	Object Code	FY 2026-2027			FY 2027-2028			FY 2028-2029		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		(777,172.00)	1,174,629.00	397,457.00	(443,492.85)	448,844.85	5,352.00	(789,650.00)	827,547.00	37,897.00
F. FUND BALANCE, RESERVES										
1. Beginning Fund Balance										
a. As of July 1	9791	6,434,972.91	3,823,613.88	10,258,586.79	5,657,800.91	4,998,242.88	10,656,043.79	5,214,308.06	5,447,087.73	10,661,395.79
b. Adjustments to Beginning Balance	9793, 9795	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Adjusted Beginning Balance		6,434,972.91	3,823,613.88	10,258,586.79	5,657,800.91	4,998,242.88	10,656,043.79	5,214,308.06	5,447,087.73	10,661,395.79
2. Ending Fund Balance, June 30 (E + F.1.c.)		5,657,800.91	4,998,242.88	10,656,043.79	5,214,308.06	5,447,087.73	10,661,395.79	4,424,658.06	6,274,634.73	10,699,292.79
Components of Ending Fund Balance:										
a. Nonspendable										
Revolving Cash (equals object 9130)	9711	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stores (equals object 9320)	9712	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prepaid Expenditures (equals object 9330)	9713	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
All Others	9719	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Restricted	9740	0.00	4,998,242.88	4,998,242.88	0.00	5,447,087.73	5,447,087.73	0.00	6,274,634.73	6,274,634.73
c. Committed										
Stabilization Arrangements/Other Commitments	9750, 9760	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d Assigned										
Other Assignments	9780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Unassigned/Unappropriated										
Reserve for Economic Uncertainties	9789	525,500.00	0.00	525,500.00	536,805.00	0.00	536,805.00	550,348.00	0.00	550,348.00
Unassigned/Unappropriated Amount	9790	5,110,311.91	0.00	5,110,311.91	4,677,503.06	0.00	4,677,503.06	3,874,310.06	0.00	3,874,310.06

As detailed below, the SJCOE staff reviewed TEAM's assumptions for the projections and found them to be reasonable.

TEAM's student enrollment is projected relatively flat in comparison to 2025-26 at 465 vs. 469. TEAM experienced a deeper decline of 9 percent of students in 2025-26 (469) from 2024-25 (511). The Charter School is projecting flat enrollment in the two out years.

Additionally, considering the enacted state budget in June 2026, TEAM's projected Local Control Funding Formula (LCFF) revenue is based on the statutory Cost of Living Adjustment (COLA) of 2.87 percent when, in fact, the enacted COLA will be augmented to 4.31 percent, further increasing TEAM's LCFF revenue by 285,799 dollars over the three-year budget period.

Revenue:

TEAM provided a budget assumptions sheet that shows the rates, factors, and ADA used in the Petition in Appendix K of the TEAM Petition. The rates shown on the sheet are consistent with the best information and guidance provided at the time of submission of the TEAM Petition. The numbers materially agree with the May Revise School Services of California Dartboard and the rates provided by the SJCOE to the Charter School for the 2026-27 Adopted Budget LCFF calculator.

The SJCOE staff reviewed the revenues on the financial statements in Appendix K of the TEAM Petition and confirmed that the amounts budgeted reasonably agree with the assumptions that TEAM included in its renewal Petition. For instance, the SJCOE confirmed

that the amount budgeted for lottery equaled the rate multiplied by the ADA. The Student Support and Professional Development Grant seems understated.

Since TEAM has experienced enrollment declines year over year, it is questionable whether the enrollment used in TEAM's assumptions will materialize for the out years, or if TEAM will continue to experience enrollment declines.

CBEDS	Student Enrollment	ADA	Ratio
19-20	735	683.12	92.9%
20-21	663	683.12 (hold harmless)	N/A
21-22	599	498.50	83%
22-23	561	478.83	85%
23-24	506	444.86	88%
24-25	511	445.84	87%
25-26	469	402.77	89%
26-27 Petition	465	416.98	89.67%
27-28 Petition	465	419.31	90.17%
28-29 Petition	465	421.63	90.67%

If the enrollment declines rather than remain flat, the revenues based on ADA, such as LCFF are overestimated. In this case, unless expenditures are reduced, the Charter School's unrestricted deficit will increase, further reducing its fund balance.

Other Revenues

The SJCOE staff compared the revenue assumptions for the various title programs to the 2025-26 entitlements. The Charter School's estimates differ; however, the differences are not material except Title II seems to be double.

It should be noted that in the Enacted State Budget in June 2026, the AB 602 rate will increase to $1,340, the Petition assumptions use $1,200.

	25-26 CDE	26-27 Petition	27-28 Petition
Title 1	$221,566	$181,117	$182,129
Title 2	$22,281	$50,365	$50,479
Title 3	TEAM is a consortium member; individual funding amount unavailable.	$13,478	$13,553
Title 4	$19,258	$21,272	$21,910

Expenditures:

The SJCOE staff reviewed expenditures by comparing the projections to recent spending patterns and other available information. TEAM's largest expenditures are salaries and benefits, occupancy costs, and Professional/Consulting services & operating expenses (76 percent of total expenditures in 2026-27), followed by food at 4.6 percent of total expenditures.

The estimated salary and benefit projections are consistent with historical costs and the discussion with TEAM over the last year about making staffing reductions to right size due to declining enrollment.

	24-25 Actuals	25-26 Estimated Actuals	26-27 Petition	27-28 Petition
Certificated Salaries		$2,246,044	$2,354,716	$2,396,598
Classified Salaries		$2,947,986	$2,375,376	$2,422,649
Benefits		$1,110,247	$993,638	$1,006,375
Total	$6,850,665.91	$6,304,277	$5,723,730	$5,825,622

The lease payments are shared with TEAM Charter and TEAM Charter Academy Middle. According to TEAM, the Cort Co Main Street building property is the only one shared with TEAM Charter Academy and the cost is split 50:50.

The assumptions for occupancy expenditures appear reasonable based on historical trends:

	24-25 Actuals	25-26 Estimated Actuals	26-27 Petition	27-28 Petition	24-25 Actuals
Rentals, Leases Repairs and Non-capitalized Improvements	$1,238,102.02	$1,243,551	$1,254,713	$1,279,807	$1,305,403

Cash balance

It should be noted that in October 2025 the Charter School moved 3 million in cash to an investment account.

Cash flow

The 2026-27 Adopted Budget submitted in June shows beginning cash of 2,111,722 dollars, while the renewal Petition shows 2026-27 beginning cash as 3,186,078 dollars. This could be a timing difference based on when each set of financial documents was prepared, but TEAM should clarify the reason for the discrepancy.

The cash flow statements show that the Charter School has cash in all months to meet its obligations. No months have negative cash.

The SJCOE staff confirmed that the revenues and expenditures on the cash flow projections agree in total to the income statement. The SJCOE analyzed balance sheet transactions, which in this case were limited to prior year accruals.

The SJCOE staff reviewed the amount of revenues and expenditures received in each month to validate the reasonableness of outflows in each month based on the category of expenditure. The SJCOE did not note any exceptions.

As noted above, overall The SJCOE staff determined that TEAM's financial plan is based on reasonable assumptions and estimates.

E. The names and relevant qualifications of all persons whom the petitioner nominates to serve on the charter school nonprofit corporation's board of trustees.

TEAM provided the names and relevant qualifications of its current Board of Trustee members.

V. MISCELLANEOUS

The annual financial audit is no longer a required charter element; charter schools are subject to the annual audit requirements specified in Education Code sections 41020 and 47605(m), so TEAM removed the audit element from its renewal Charter. If the Charter is renewed, as a condition of renewal the MOU will include provisions that assist in facilitating TEAM's compliance with the audit requirements as well as other operational, fiscal, and oversight provisions and terms of the relationship between TEAM and the SJCOE in accordance with the SJCOE's standards and best practices. The SJCOE confirmed that TEAM's audit reports have been timely submitted each year.

CONCLUSION

The SJCOE staff reviewed the TEAM renewal Charter utilizing the criteria for consideration and action on a low performance tier charter school renewal, as set forth in Education Code sections 47605, 47607, and 47607.2. It is the SJCOE staff's recommendation that the TEAM Charter be renewed with conditions to address all the SJCOE's concerns, including those specified herein, and that the SJCBOE adopt proposed Board Resolution #26-27-07 Approving the Renewal of the TEAM Charter School Charter Petition with Conditions and, Alternatively, Making Written Factual Findings Supporting Denial and Denying the Renewal of the Charter Petition if the Conditions Are Not Met. If, however, the County Board does not make both the findings required for renewal of a low performance tier charter school pursuant to Education Code Section 47607.2(a) and/or Transformational Education Inc. and/or TEAM

object to the imposition of the conditions on the Charter renewal or indicate an unwillingness to comply with the recommended conditions, the SJCOE recommends the TEAM Charter renewal be denied by SJCBOE not making the finding required by Education Code Section 47607.2(a) in order to renew TEAM as a low performing charter school that TEAM is taking meaningful steps to address the underlying causes of low performance as the SJCOE staff's recommendation that the SJCBOE make that finding is dependent on TEAM complying with the recommended conditions of its renewal, and/or based on the findings in proposed Resolution #26-27-07 supporting denial for failure to comply with the conditions of approval.

PROPOSED MOTION

Motion to approve the TEAM Charter School Charter renewal with conditions and adopt Resolution #26-27-07 Approving the Renewal of the TEAM Charter School Charter Petition with Conditions and, Alternatively, Making Written Factual Finding Supporting Denial and Denying the Renewal of the Charter Petition if the Conditions Are Not Met.

OR

Motion to deny the TEAM Charter School Charter and adopt a revised version of Resolution #26-27-07 whereby the SJCBOE does not make the finding required by Education Code Section 47607.2(a) for renewal of TEAM as a low performing charter school that TEAM is taking meaningful steps to address the underlying causes of low performance as the SJCOE staff's recommendation that the SJCBOE make that finding is dependent on TEAM complying with the recommended conditions of its renewal, and omitting the approval with conditions and the recommended conditions of approval and instead denying renewal pursuant to Education Code sections 47607.2(a) and 47605 and adopting the legal and factual findings supporting denial as set forth in this Staff Analysis and the proposed version of Resolution #26-27-07 and directing and delegating to the County Superintendent or designee responsibility to make the necessary revisions prior to execution of the adopted Resolution.