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Members of the Board of Directors
Nick Driver, Acting Superintendent
Griffin Technology Academies
2 Positive Place
Vallejo, CA 94589

RE: Notice of Violations Pursuant to Education Code § 47607(f)

Dear Members of the Board of Directors and Mr. Driver:

This letter is to provide formal notice that the Vallejo City Unified School District (“District”) is hereby initiating charter revocation proceedings against Mare Island Technology Academy (“MITA”) pursuant to Education Code section 47607(f). This letter shall constitute the District’s Notice of Violations (“NOV”) against MITA.

MITA is public charter school operated by the Griffin Technology Academies (“GTA”), which is a nonprofit public benefit corporation that functions as the “charter managing entity” for MITA and three other charter schools, including MIT Academy, Griffin Academy Middle School, and Griffin Academy High School. Although MITA and the other three charter schools are independently authorized by the District and possess their own respective charter numbers assigned by the State Board of Education, they are collectively governed by the same GTA Board of Directors (“GTA Board”) and operated by the same cabinet-level administration. Therefore, for all intents and purposes, the four charter schools, together with the shared governance and leadership teams, function as a single school system—not unlike a public school district.

Given this established structure, several of the violations raised in this NOV largely track the violations identified in the NOVs for the other three charter schools, particularly as they relate to the shared governance and fiscal-related issues concerning GTA and its Board. Therefore, to the extent that there are identical or similar violations detailed in the other NOVs, this is intentional due to the nature of GTA's charter school model. Further, references in this NOV to "MITA" are intended to also refer to the GTA governance and leadership teams, who oversee, manage, and operate MITA.

Executive Summary

As a public charter school operating within the Vallejo community, MITA is entrusted with the important responsibility of providing a sound education and protecting the health, safety, and welfare of students enrolled in its program. Further, MITA is expected to demonstrate an unwavering commitment to upholding the promises set out in its approved charter, as well as the laws and regulations applicable to charter schools. This includes providing a legally-compliant instructional program, housing students in safe and secure facilities, prudently managing the public taxpayer dollars it receives to operate, and ensuring that its leadership and governance teams show integrity, transparency, and accountability in their actions and decision-making. MITA has failed its staff, its students, and its families in every respect.

Over the course of the past year, the District has witnessed the unraveling of MITA at the hands of the GTA Board. Every aspect of GTA's and MITA's operations—spanning governance, instruction, facilities, fiscal management and practices, and administration/leadership—is broken and in a state of turmoil.

The District has engaged in tireless efforts to bring the identified issues, concerns, and deficiencies to MITA's attention so that they could be appropriately addressed and remedied. All communications have been directed to the GTA Board and MITA administration with both the goal and expectation that the governance and leadership teams would take the District's concerns seriously and implement all necessary steps to rectify the identified problems. However, despite multiple warnings, MITA has failed to demonstrate that it has the ability, capacity, or even basic interest to properly operate a charter school program or deliver a sound and legally-compliant educational program to its students.

As illustrated herein, deceit, secrecy, mismanagement, and disorganization permeate the charter school, and the distrust among MITA's staff, families, and other interested parties in the GTA Board is palpable. Members of the GTA Board have micromanaged and controlled the actions and decisions assigned to the leadership team, which has directly resulted in constant turnover at the highest levels of the school's administration and created an environment of hostility, fear, and instability within the charter school to the direct detriment of the enrolled students. To leverage greater control and power over the charter school, members of the Board of Directors have manipulated administrative staff and stripped them of their duties, all contrary to the chartering documents themselves, effectively relegating them to puppets who have no voice of their own or ability to make or implement decisions that are in the best interests of students or that may be specifically required by law.

The District has warned the GTA Board and MITA over and over in writing on multiple occasions that it has absolutely no tolerance for such conduct. Despite such warnings, GTA and MITA have failed to heed the District's directives, eroded the confidence of MITA teaching staff and families, and compromised the integrity of the public education system. The District cannot stand on the sidelines and allow these violations to continue to the severe detriment of students.

Confidence in public education is at an all-time low. While every school system in California, including the District, certainly has its challenges, this does not excuse or justify the significant governance, fiscal, instructional, facilities, and operational deficiencies that plague the GTA Board and MITA. This must stop. The community of Vallejo deserves better, and most importantly, our children deserve better.

For these reasons, the District has formally resolved to initiate the process to revoke MITA's charter.

Procedure

The District is required to notify MITA in writing of the violations it has identified and is alleging and provide MITA with a reasonable opportunity to respond to and/or remedy the violations.¹

As the charter authorizer of MITA, the District may revoke MITA's charter if it finds, through a showing of substantial evidence, that MITA did any of the following:

1. Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.
2. Failed to meet or pursue any of the pupil outcomes identified in the charter.
3. Failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement.
4. Violated any provision of law.²

Please be advised that the District shall give MITA a reasonable period of time to remedy or refute the identified violations. As more fully set forth below, the District has determined that the violations identified below must be remedied or refuted on or before **June 6, 2022**. If the District's Board of Trustees determines that MITA has failed to refute or remedy, to its satisfaction, one or more violations identified in this NOV, the Board may then consider and take action to issue a Notice of Intent to Revoke MITA's charter.

¹ Educ. Code § 47607(g); 5 C.C.R. §§ 11965(f) and 11968.5.2.

² Cal. Educ. Code § 47607(f).

I. VIOLATIONS

The District has identified and alleges that MITA has committed material violations of certain conditions, standards, or procedures set forth in its approved charter; engaged in fiscal mismanagement; and violated provisions of the law. The violations identified by the District are more fully described below.

A. Material Violation of Conditions, Standards, or Procedures in Charter.

1. Failure to Ensure the Health and Safety of Students and Staff.

a) Failure to Follow Health and Safety Mandates and COVID-19 Prevention Protocols

MITA affirms in its charter petition that it will ensure the health and safety of its students and staff.³ However, MITA has failed to properly follow health and safety protocols and directives to prevent or limit the transmission of COVID-19. On February 19, 2021, the District received a complaint from a former employee alleging that MITA was engaging in unsafe practices related to COVID-19 exposure, including the failure to properly direct students and staff to quarantine who were close contacts of an individual who tested positive for COVID-19. The District followed up with MITA in writing on February 26, 2021 that it had serious concerns regarding the allegations raised by the complainant, especially to the extent that MITA may have failed, or was failing, to follow applicable state and local health and safety mandates issued by the California Department of Public Health and the Solano County Public Health Department.

While the District redirected the complainant to MITA's internal complaint procedures, consistent with the terms of the charter, for further processing and resolution, the District directed MITA to provide a written timeline of MITA's investigation of the issues raised in the complaint, as well as a written summary of the disposition of the complaint. Further, as the chartering authority, the District directed MITA to provide a detailed narrative of the steps MITA was taking to comply with applicable state and local health and safety directives, a detailed response to all allegations raised in the complaint, and other information.

On March 3, 2021, legal counsel for GTA responded on behalf of MITA and asserted that it "initiated proper and effective health and safety protocols" for all student cohorts, including isolation of the "possible infection scope," contacting all affected parents, and other measures. As part of its response, legal counsel stated that GTA had submitted a COVID-19 Safety Plan, including its Cal/OSHA COVID-19 Prevention Plan to the Solano County Office of Education.

On behalf of MITA, GTA prepared a COVID-19 Prevention Program for the 2021-2022 school year addressing how GTA would ensure student, staff, and visitor health and safety during the COVID-19 pandemic.⁴ This document specifies that GTA would implement specific cleaning and disinfecting procedures; evaluate handwashing facilities, determine the need for additional

³ See MITA Charter, p. 31.

⁴ GTA COVID-19 Prevention Program 2021-2022.

facilities, allow time for employee handwashing, and provide employees with hand sanitizer; provide personal protective equipment (“PPE”) to prevent exposure to COVID-19 hazards; and provide self-cleaning air purifiers in every classroom, multipurpose room, and office.

However, during the District’s physical inspection of the MITA facilities on August 27, 2021, the District found little to no evidence that MITA was complying with the requirements of its COVID-19 Prevention Program.⁵ Specifically, windows, doors, and HVAC systems were inoperable, and there was a lack of ventilation and appropriate air filtration. Further, MITA’s handwashing stations were non-functioning and there was no indication of hand sanitizer or other PPE present. This is inexcusable, especially given the previous representations that GTA made in affirming that it was following all applicable health and safety protocols and procedures to limit the transmission of COVID-19.

In its September 10, 2021 Notice to Correct Health and Safety Hazards and Facilities Deficiencies, the District expressed that GTA’s and MITA’s failure to comply with local and state health mandates and directives was alarming and showed a complete lack of regard for the health, safety, and welfare of students, staff, and visitors on the campus.⁶ The District emphasized that it had zero tolerance for such neglect and inaction on the part of GTA and MITA. As part of the corrective action plan detailed in the Notice to Correct Health and Safety Hazards and Facilities Deficiencies, the District directed MITA to take all measures necessary to fully sanitize the facilities and rectify the deficiencies described above.

On September 24, 2021, GTA responded to the District’s Notice to Correct and affirmed that it would initiate steps to remediate all identified concerns and provide safe, secure, and clean facilities for MITA students.⁷ GTA also promised that it would provide weekly updates to the District regarding its progress on correcting the noted deficiencies.

On November 2, 2021, after more than five (5) weeks had passed from the date of GTA’s written response, the District conducted a follow-up site visit and observed that, among other problems, hand sanitizer dispensers were assembled but not distributed and a restroom was missing all soap dispensers.⁸ Once again, GTA and MITA failed to keep their promises and take the District’s directives seriously. These violations, along with the others addressed in this NOV, have eroded the District’s trust and have caused it to lose all confidence that GTA and MITA have the desire or capability to prioritize, or even meaningfully consider, the health and well-being of students and staff.

⁵ See Mare Island Technology Academy Middle & High School Facility Review Summary Report (September 3, 2021).

⁶ Notice to Correct Health and Safety Hazards and Facilities Deficiencies (MIT Academy Campus) (September 10, 2021).

⁷ Response to Notice to Correct Health and Safety Hazards and Facilities Deficiencies (MIT Academy Campus) (September 24, 2021).

⁸ Letter from District to GTA re: November 2, 2021 Site Visit (November 5, 2021).

It is extremely troubling that MITA developed a COVID-19 Prevention Program and failed to follow the simple and straightforward procedures and protocols in that document. More alarming, however, is the fact that the District specifically identified the areas of MITA's non-compliance with its COVID-19 Prevention Program, yet nearly two (2) full months had passed and MITA still had not provided the necessary supplies (e.g., hand sanitizer and soap) to its students and staff to protect against the spread of viruses and other germs. GTA, on behalf of MITA, specifically promised to the District that it would take all appropriate measures to address the health and safety concerns that the District called to its attention. Clearly, the District cannot trust these statements or otherwise expect MITA to follow the appropriate health and safety protocols without close monitoring and supervision by the District. As an independent charter school that has been in operation for nearly 23 years, there is no excuse for such inaction or indifference toward student and staff welfare.

b) Extensive Health and Safety Hazards in MITA Facilities

MITA asserts that it maintains policies addressing health and safety procedures, including a policy that the charter school will be housed in facilities that have received Fire Marshal approval and that have been evaluated by a qualified structural engineer who has determined that the facilities present no substantial seismic safety hazard.⁹ This is not the case.

For years, despite multiple complaints from MITA staff, the GTA Board has consciously allowed students and staff to occupy structurally-unsound facilities that are in a state of complete disrepair, and have directly compromised their health, safety, and well being. GTA and MITA have failed to take any responsibility for their inaction and have knowingly subjected students and staff to egregious conditions that were entirely preventable.

On August 26, 2021, the District received several complaints from parents of MITA students who expressed concerns regarding the condition of the facilities located at 2 Positive Place in Vallejo, California ("MITA Campus"). These facilities represent a combination of portables owned and leased by GTA for use by MITA and MIT Academy.¹⁰ Upon learning of these complaints, the District immediately coordinated a team of individuals to inspect the MITA Campus the following day on August 27, 2021. During the site visit and inspection, the District team observed critical and pervasive health and safety hazards and deficiencies related to various systems (e.g., inoperable HVAC units, exposed electrical wiring, open/missing utility housing, missing/inoperable smoke detectors and thermostats, vines encroaching into mechanical systems, etc.); the interior of the facilities (e.g., evidence of leaking roofs, mold/mildew, dry rot, missing/broken light covers, missing/damaged ceiling tiles, and torn/frayed carpet); lack of sanitation/cleanliness (e.g., pest infestation, inoperable and filthy sinks, cluttered and dirty storage areas, excess debris, unsanitary/inoperable drinking fountains, dirty mops and buckets stored improperly, torn and dirty floormats); restrooms (e.g., missing locks and doors on

⁹ See GTA Staff Handbook, p. 71.

¹⁰ Certain portables (described later in this NOV) are owned by the Friends of MIT Academy Foundation and are leased to GTA for use by MITA and MIT Academy. The MITA/MIT Academy middle and high school programs co-locate on the same MITA Campus.

bathroom stalls, corrosion/rust from urine splatter on toilet stall panels, holes in the walls, inoperable sinks, broken toilet handles, improper storage of cleaning equipment, etc.); safety (e.g., inoperable emergency exits/sealed closed with packing tape, inappropriate hardware for classroom doors, missing monthly inspection verifications for fire extinguishers, blocked exit doors, sharp edges on missing door mechanism, detachment of emergency exit stairs from building, missing/rotting handrails jutting into walkway, non-compliant storage of chemicals and cleaning supplies, inoperable doors and windows, etc.); structural components (e.g., undersides of buildings with holes broken/jagged boards, missing boards, crumpled vents, moisture and insulation barrier failures, dry rot causing separation of wall from floor, dry rot/rust/chipped paint on most buildings, unsecured and rotting door frames and thresholds, etc.); and external components (e.g., broken planks on ramps, missing railings, ramps/handrails with dry rot/peeling paint/jagged edges, missing covers on exterior lighting, lack of door mechanisms for automatic closure, uneven walking paths with trip hazards, uneven utility boxes on ground, exposed tree roots, missing concrete blocks, etc.). In short, the condition of the facilities on the MITA Campus were deplorable.

On September 3, 2021, the District issued a report detailing these deficiencies to GTA, along with 260 photographs taken by the District team during the inspection. Shortly thereafter, on September 8, 2021, the District sent a letter to Kyle Long, Fire Chief for the Vallejo Fire Department, to provide formal written notification of the facilities and fire safety-related concerns that the District discovered during its August 27, 2021 inspection of the MITA Campus. Due to the significant issues identified, including the exposed electrical wiring, uncovered electrical outlets, non-functioning emergency exits, debris blocking exit routes, and other problems, the District asked the Vallejo Fire Department to conduct a thorough reinspection of the MITA facilities.¹¹

On September 7, 2021, the Vallejo Fire Department reinspected the MITA facilities and issued a notice of violation that identified eighteen (18) items for immediate correction.¹² When the Vallejo Fire Department again reinspected the facilities on October 20, 2021, it issued a report with four (4) additional items of correction.¹³ Specifically, MITA was directed to re-route/remove extension cords in certain buildings, install cover plates, install new doors and panic hardware, and close penetrations in all buildings at the site.

On September 10, 2021, the District sent a Notice to Correct Health and Safety Hazards and Facilities Deficiencies to GTA.¹⁴ This notice reiterated the concerns identified during the

¹¹ The Vallejo Fire Department had conducted an initial inspection of the MITA Campus prior to the District's August 27, 2021 site visit. (See Vallejo Fire Department's Fire and Life Safety Inspection Report for MIT Academy Facilities (June 30, 2021).

¹² Vallejo Fire Department Notice of Violation (September 7, 2021). The District also sent a letter to Kyle Long, Fire Chief for Vallejo Fire Department, on September 8, 2021, regarding the facilities concerns.

¹³ See Vallejo Fire Department's Fire & Life Safety Inspection Report (October 20, 2021).

¹⁴ See Notice to Correct Health and Safety Hazards and Facilities Deficiencies (MIT Academy Campus) (September 10, 2021). Each of the 260 photographs taken by the District team during its inspection on August 27, 2021 is hyperlinked and viewable in this notice.

District’s August 27, 2021 site visit and inspection, and underscored the District’s dismay with MITA’s obvious neglect of the facilities and willingness to allow them to fall into serious disrepair. The District informed MITA that it had notified the Fire Chief of the Vallejo Fire Department of the deficiencies and provided its summary report and photographs in support of the same. The District also detailed a specific corrective action plan requiring MITA’s compliance by specified deadlines. This included the requirement of providing the District with a written plan of action to address and remedy all deficiencies, weekly updates on its progress, participation in virtual meetings with District representatives to discuss the status of such repair/maintenance/sanitization efforts, and a final written report following completion of this work. The District further admonished GTA and MITA that it expected their full compliance and reserved the right to take all necessary steps to compel such compliance up to and including the initiation of revocation proceedings, as appropriate.

On September 24, 2021, GTA, on behalf of MITA, sent a written response to the District stating that it was taking the District’s notice “with all the seriousness intended.”¹⁵ GTA also provided assurances that it would comply with each of the requirements articulated in the corrective action plan, and included its draft action plan to address/correct the facilities deficiencies. While the initial draft action plan appeared to comprehensively identify the deficiencies requiring correction or remediation and the anticipated dates for completion, subsequent weekly updates were substantially lacking, inconsistent, and failed to detail the status of the corrections and remediation for several items.¹⁶ In addition, after GTA provided a written update on October 27, 2021, it ceased issuing the weekly status reports to the District even though the repair and remediation work was far from complete. It was not until December 10, 2021—six weeks later—that GTA affirmed that it would resume sending the weekly updates beginning on December 13, 2021.¹⁷

On November 2, 2021, Mitchell Romao, District Assistant Superintendent of Operations, and Joe Hatchett, District Maintenance Manager, conducted a follow-up site visit and inspection of the facilities.¹⁸ The District representatives observed that construction crews were replacing a ramp and siding on a classroom, feeding dishes for stray animals and garbage in the immediate vicinity had been removed, and hand sanitizer dispensers were assembled; however, there were no other apparent repairs or improvements anywhere else on the site. This observation was in stark contrast to the assurances and weekly updates that GTA provided to the District stating that the work was either completed or in progress. The following provides a side-by-side comparison of certain assurances GTA and MITA made to the District regarding the status of the repairs and maintenance, and some of the District’s noted visual observations at the site:

¹⁵ See Letter from GTA to District – Response to Notice to Correct Health and Safety Hazards and Facilities Deficiencies (MIT Academy Campus) (September 24, 2021), p. 1.

¹⁶ (See, e.g., weekly updates dated October 8, 18, 27, 2021.)

¹⁷ See GTA’s Response to Notice of Concerns Regarding Health and Safety of Students, Coordination of Student Housing, and Instructional Program (December 10, 2021).

¹⁸ See Letter from District to GTA and MIT – Health and Safety Concerns at MIT Facilities (November 5, 2021).

| October 27, 2021 Update from GTA/MITA | November 2, 2021 District Observation of MITA Facilities |
|---|---|
| Emergency exits have been repaired and made operable. | Emergency exit doors in MPR were not repaired. |
| Thermostats have been inspected and repaired or replaced. | A teacher report verified that the thermostat in her classroom was inoperable. |
| Toilet handles have been repaired or replaced. | No repairs of any kind were observed in the restrooms, with one restroom now missing all three soap dispensers (and no replacements on site). |

In addition, the District observed:

- electrical extension cords and flexible cords were still prevalent, and one classroom had strings of lights hung from the ceiling;
- the most hazardous portions of wooden walkways and ramps were not repaired, including some threshold transitions and single boards that could have been quickly and easily replaced to mitigate immediate hazards or potential injury while more extensive repairs were in progress; and
- structurally-compromised classrooms, including those with floor and wall separation, were still being occupied by teaching staff and students.

Further, the District identified slip and fall hazards on the walkways resulting from mud washing down from the hillside.

While the District understands that certain repairs at the MITA site would be completed at a later date given the need to hire contractors and secure the materials needed to make the corrections, GTA and MITA misrepresented their progress on the extent of the completed repairs and failed to properly prioritize the resolution of deficiencies that posed immediate health and safety risks to students and staff, including unsafe walkways and ramps, unsanitary and defective restroom facilities, and the presence of electrical cords and other fire-safety issues. Most concerning, however, is the fact that MITA still allowed students and staff to occupy structurally-compromised classrooms despite having already been placed on notice about the safety concern. Again, this conduct is inexcusable and further evidences GTA's and MITA's inability to appropriately prioritize the health and safety of students and staff.

c) Failure to Take Appropriate, Timely, and Safety-Focused Measures to Address Toxic Mold Exposure

GTA and MITA failed to take timely and decisive action to protect students, staff, and visitors from toxic mold exposure despite being placed on actual notice that facilities on the MITA Campus were contaminated. GTA and MITA have continually deflected blame and have reframed the presence of mold as something they "discovered" recently, rather than acknowledging that (1) they were fully aware of the poor condition of the facilities for several

years, and (2) neither the GTA Board nor MITA administration took *any* action to address the serious health issue until the District brought the concern to their attention.

In the District’s Facility Review Summary Report, dated September 3, 2021, as well as in the District’s Notice to Correct Health and Safety Hazards and Facilities Deficiencies, dated September 10, 2021, the District informed GTA and MITA that it had observed mold and/or mildew infiltration in the facilities. Subsequent to the issuance of these written communications and unbeknownst to the District, GTA contracted with Indoor Restore Environmental Services, a mold remediation company, during the first week of October 2021 to perform air samplings of the facilities. GTA received the fungal report and lab testing results from Indoor Restore on or about October 19, 2021, which showed the presence of mold contamination in MITA facilities.¹⁹ However, it was not until October 28, 2021—nine days later—that GTA’s Board of Directors held a special meeting to review the results.²⁰ It bears mentioning that the lab results were omitted from the materials included with the special meeting agenda.

Another twelve (12) days passed before GTA’s Board took action to close the MITA Campus on November 9, 2021.²¹ This represents three weeks of delay after GTA first received confirmation from the mold testing company regarding the mold contamination at the site—three full weeks of maintaining regular school programming and actively allowing students and staff to remain in contaminated facilities. The District finds it shocking that GTA consciously turned its back on its own families and staff in this manner. If the health and safety concerns due to the presence of mold were significant enough to trigger a board decision for a full-scale closure of the MITA Campus, the District cannot understand how GTA and MITA could have reasonably concluded that it was appropriate to permit students and staff to remain on the site after they were first placed on notice of the mold exposure. Irrespective of the subsequent efforts that GTA and MITA were compelled to take to remediate the mold contamination, this does not justify or excuse GTA’s and MITA’s callous disregard for the health, safety, and welfare of students and staff.

Further, as expressed in the District’s September 10, 2021 Notice to Correct Health and Safety Hazards and Facilities Deficiencies, the District directed GTA and MITA to provide weekly status updates regarding the repairs and remediation work at the site. However, neither GTA nor MITA provided the District with any notice that it was hiring a mold remediation company to conduct air samplings. In addition, MITA did not provide the District with a copy of the fungal report or lab results until *after* the closure of the MITA Campus was announced.²² The District

¹⁹ Indoor Restore Mold Inspection Report, dated October 9, 2021; Nation Laboratories Report (October 8, 2021).

²⁰ See Special Board Meeting Agenda, Item 3(a) (October 28, 2021).

²¹ See Notice to MITA Families (November 9, 2021).

²² See one-way email communication from W. Spalding to Members of the District Board of Trustees (November 10, 2021).

made clear its expectation that GTA and MITA maintain open lines of communications regarding the repair and remediation work at the site; yet, the District was left completely in the dark on a critical matter having a potentially direct and adverse impact on MITA students and staff.

MITA's failure to properly communicate with the District in an open and transparent manner did not stop there. Given the District's concerns regarding the displacement of MITA students following the campus closure, the District actively and diligently began evaluating options to temporarily house the students in its facilities. GTA was fully aware that the District's legal counsel was communicating with GTA's legal counsel on this matter, with the goal of locating available District facilities and negotiating the terms upon which MITA could occupy the space. The District's and GTA's respective legal counsel arranged for a teleconference for the morning of November 18, 2021 during which the District's legal counsel communicated the details of the proposed temporary housing arrangement. (The District's legal counsel followed up with GTA's legal counsel via a written email communication at the end of the day, but, by that time, several additional events had transpired, as further explained in the following paragraphs.²³)

On the morning of November 18, 2021, however, without the District's knowledge, and while the discussion between legal counsel was underway, a GTA employee issued a schoolwide communication requesting that MITA teaching staff, students, and parents volunteer their time on November 18 and 19, 2021 to help with the "move" to the District's former Everest Elementary School site, located at 425 Corcoran Avenue in Vallejo ("Corcoran Site").²⁴ On the same day, Mr. Romao met with Dr. Robert Martinez, former GTA Superintendent, and Dr. Marguerite Williams, Assistant Superintendent/CBO, to discuss the same terms for temporary housing that the District's legal counsel had communicated to GTA's legal counsel earlier that morning. Mr. Romao expressed that the District would extend use of the Corcoran Site to MITA on a temporary basis. However, Mr. Romao made clear, in no uncertain terms, that GTA's Board would have to *first* formally accept the District's terms and conditions for such temporary use, including the development and approval of a fully-negotiated written agreement between the parties.

Approximately 30 minutes after the conclusion of the meeting, Dr. Martinez sent a letter to MITA families announcing that the District had authorized MITA to move its middle school program to the Corcoran Site.²⁵ He further shared that the move to the Corcoran Site had already been initiated, which included the transport of desks, chairs, teaching materials, and internet service. Shortly after this communication was released, District representatives witnessed two

²³ See Email from L. Lacher to R. Nunn re: Communication and Action Protocol Concerning MIT Temporary Housing Issue (November 18, 2021).

²⁴ ParentSquare Notification to MITA Families (November 18, 2021).

²⁵ See Letter from GTA to MIT Middle and High School Families with Update on Student Housing (November 18, 2021).

large rental trucks at the Corcoran Site that GTA and/or MITA had obtained to transport furniture, equipment, and supplies from mold-contaminated facilities on the MITA Campus.²⁶

There is no reasonable explanation for such conduct on the part of GTA administration. First, Dr. Martinez and Dr. Williams had every opportunity to discuss the details and logistics of the move to the Corcoran Site during their meeting with Mr. Romao earlier the same day. Yet, they remained silent on the issue and failed to mention that they had already coordinated and initiated the move. Interestingly, in Dr. Martinez’s December 10, 2021 written response, he shared that GTA administration began “developing a plan to move classroom materials” to the Corcoran Site. He also indicated that Mr. Romao gave him permission and “understood that [MITA] would be moving forward during [its] meeting a week earlier.” However, these statements completely misconstrue the communications between the parties. GTA administration was fully aware that any details regarding a temporary housing arrangement would be addressed by the District’s legal counsel during her conversation with GTA’s legal counsel on the morning of November 18, 2021, which immediately followed the District’s closed session discussion the evening prior (November 17, 2021) concerning the price and terms of payment for use of the Corcoran Site.²⁷ Consequently, any assertion on the part of GTA that the parties had reached an official agreement regarding the terms and conditions for access to, and use of, the Corcoran Site is a complete and obvious misrepresentation of the facts.

The District also cannot reasonably comprehend how GTA and MITA could seek volunteers to move the potentially-contaminated classroom materials and supplies when doing so would knowingly and actively expose students, parents, and staff to mold contamination within the MITA Campus facilities. The fact that MITA offered triple volunteer credits and a free lunch to those willing to assist with the move of potentially-contaminated classroom materials and supplies to the Corcoran Site is unfathomable. GTA and MITA jeopardized the health and safety of students, parents, and staff so that they could quickly facilitate the relocation of MITA to the Corcoran Site. This series of events—all at the hands of GTA’s Board and administration—were reckless and irresponsible, and serve to illuminate the sheer dysfunction of GTA and MITA at both the governance and administrative levels.

Had GTA and MITA heeded the District’s directives, the Corcoran Site could have been made available for the middle school program within a matter of a few weeks. Yet, GTA and MITA hastily decided to pursue unauthorized access to the Corcoran Site and bring potentially mold-contaminated furniture, equipment, and supplies to the location. As a result, the District was forced to issue a cease and desist directive to GTA and MITA, prohibiting anyone acting on their

²⁶ See photograph taken by J. Hatchett, District Operations Manager of Maintenance and Grounds (November 18, 2021).

²⁷ See District Board Agenda (November 17, 2021).

behalf from accessing the Corcoran Site.²⁸ In addition, the District had to coordinate additional mold testing at the Corcoran Site to determine whether remediation and abatement might be necessary to remove any health and safety hazards.²⁹

On January 21, 2022, the District issued a follow-up letter to GTA concerning the closure of the MITA Campus due to mold exposure.³⁰ In that correspondence, the District informed GTA that a consultant, who is an expert in industrial hygiene, toxicology, and environmental health, conducted a detailed evaluation of Indoor Restore's fungal report and the accompanying lab results. The consultant identified multiple errors with the fungal report and lab results, finding that Indoor Restore, contrary to its assertion, did not perform air samplings at the MITA Campus; rather only surface samplings and moisture content analysis was conducted. Indoor Restore also failed to provide appropriate details regarding samples that it retrieved (e.g., measurements of the size of the sample) to evaluate whether the hazard or contaminated space was limited to small, discreet areas or was widespread throughout the facilities. Further, the fungal report failed to provide any conclusions or recommendations based on the lab results, other than to identify areas of concern, and did not otherwise provide any meaningful analysis of the scope and extent of the contamination.³¹

The consultant also found significant problems with the lab report and corresponding results. Nation Labs, which performed the lab testing, interpreted the results and provided its general impressions; however, this is not an accepted practice in the industry and such analysis should be performed by a professional with expertise in interpreting lab results of this type. In addition, the lab results included several inconsistencies in the ratings that were assigned to the samples, as well as variable mold types that were identified in some samples and not in others.³²

Significantly, Indoor Restore is not a certified industrial hygienist, and Nations Labs is not an accredited lab with the American Industrial Hygienists Association. Consequently, any lab testing performed by a non-accredited lab cannot be validated. Further, GTA's decision to utilize Indoor Restore to perform both the testing/sampling at the MITA Campus, as well as the remediation/abatement and restoration work at the site, is a conflict of interest. As expressed in the District's January 21, 2022 letter to GTA, this dual role is inconsistent with industry standards, which are designed to prevent the very fact pattern that occurred in this situation—

²⁸ See Letter from District to GTA – Demand to Immediately Cease and Desist Move to District Facility (November 18, 2021).

²⁹ See National Analytical Laboratories, Inc. Report re: Mold Visual Assessment & Ambient Air Sampling & Tape Lift (December 2, 2021).

³⁰ Letter from District to GTA – Follow Up on Closure of MIT Campus Facilities Due to Mold Exposure / Corrective Actions (January 21, 2022).

³¹ See Indoor Restore Mold Inspection Report (October 9, 2021).

³² See Nation Laboratories Report (October 8, 2021).

specifically, the company that performed the testing/sampling is financially benefitting from the work that must be performed at the site. By having Indoor Restore perform both of these functions, it diminished the integrity of the testing and remediation work. The District, therefore, informed GTA that an independent third party should evaluate the facilities following the completion of the remediation work to ensure that the facilities were safe for occupancy and free of moisture issues and mold contamination. Subsequently, GTA hired an independent environmental testing and consulting company to perform a mold inspection and assessment.³³

While the District recognizes that GTA complied with this request, the District remains extremely troubled by the sequence of events leading up to this inspection. GTA and MITA:

- *knowingly* and *actively* allowed the facilities to fall into complete disrepair, resulting in moisture intrusion and mold contamination;
- compromised the health and safety of students and staff by continuing to allow them to occupy contaminated facilities;
- further compromised the health and safety of students and staff by asking them to assist in moving materials and supplies from contaminated classrooms to the Corcoran Site;
- violated the District's directives regarding the terms and conditions for MITA's prospective use of the Corcoran Site as temporary housing;
- misrepresented to families that their students would have access to in-person instruction at the Corcoran Site before such authorization was given;
- falsified the communications and statements made by District administration;
- failed to hire a certified contractor to perform the mold testing and remediation work who was free from conflicts of interest;
- deflected responsibility for the deplorable condition of the facilities;
- deceived families by claiming that they had recently discovered the presence of mold and that they prioritized health and safety of students and staff; and
- betrayed the trust of the District and demonstrated a complete lack of accountability and transparency in decision-making.

By engaging in these actions, GTA and MITA violated the terms of the approved charter,³⁴ and, most significantly, jeopardized the health, safety, and welfare of its own students and staff. This conduct is incomprehensible and should *never* occur within the domain of public education or in any other setting.

³³ See Progress Update on MIT Academy Facilities Remediation and Improvements (January 27, 2022).

³⁴ See MITA Charter, p. 31.

2. Repeated Failure to Comply with the Requirements of the Ralph M. Brown Act (Government Code sections 54950 *et seq.*)

MITA affirms in its charter that “[a]ll meetings of the Board of Directors are noticed, held, and conducted in accordance with the terms and provisions of the Ralph M. Brown Act.”³⁵ Further, GTA’s corporate bylaws included with the charter affirmatively state: “All meetings of the Board of Directors shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act (‘Brown Act’), California Government Code Sections 54950, et seq., as said chapter may be modified by subsequent legislation.”³⁶

Since its creation, MITA has operated under the governance of the GTA Board.³⁷ However, the GTA Board has violated the open meeting requirements set forth in Government Code sections 54953, 54956, 54956.8, 54957, and 54957.1 by:

- unlawfully meeting in closed session to modify the duties of the Superintendent and Assistant Superintendent positions, and to establish a transition team involving outside, independent consultants;
- considering and approving third party consultant contracts in closed session without authorization;
- failing to approve executive-level compensation in open session; and
- unlawfully agendizing closed session items under “real property negotiations.”

First, as expressed in the District’s February 25, 2022 Demand to Cure and Correct Pursuant to Government Code 54960.1, GTA violated the open meeting requirements of Government Code section 54953, the special meeting agenda requirements of Section 54956, and the reporting out requirements for closed session items concerning public employment of Government Code section 54957.1.³⁸

GTA’s special board meeting agenda for its February 17, 2022 meeting included the following closed session items:³⁹

Public Employment Title: Superintendent

Public Employment Title: Assistant Superintendent

³⁵ See MITA Charter, p. 27.

³⁶ See GTA corporate bylaws, p. 7 (last amended June 12, 2018).

³⁷ GTA formerly operated as a nonprofit public benefit corporation under the name of MIT Academy.

³⁸ See Letter from District to GTA – Demand to Cure and Correct Brown Act Violation (February 25, 2022).

³⁹ See GTA Special Board Meeting Agenda (February 17, 2022).

Following the closed session meeting, Debbie Lamb, GTA’s Board Chair, reported out that the Board had taken action to create a “management transition team” due to the recent resignation of GTA Superintendent Dr. Martinez. Ms. Lamb specifically stated that the job duties for the Superintendent and Assistant Superintendent positions would be modified once the transition team met. Recognizing their attendance at the meeting, Ms. Lamb also sent an email to members of District administration to again confirm that the GTA Board had established a transition team that included consultants Dr. Ting Sun and Nick Driver.⁴⁰ The next day, on February 18, 2022, the GTA Board issued another letter to the District, which provided further detail regarding the information that Ms. Lamb had reported out after closed session.⁴¹ Specifically, the GTA Board informed the District that the transition team would be assuming duties in the areas of finance, facilities, operations, and instruction. The letter further stated that Board Members Lynne Vaughan and Shawna Gilroy would work with several outside “content area experts” who would comprise the team and institutionalize policies, procedures, and infrastructure for successful operations.

Closed session discussions concerning public employment are only authorized for the limited purposes of considering “the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee or to hear complaints or charges brought against the employee by another person or employee....”⁴² Based on the reporting out, specific motion, and subsequent communications from GTA’s Board Chair, the GTA Board modified the duties of the Superintendent and Assistant Superintendent, and established a transition team involving outside consultants, all of which exceeded the legally-authorized scope of discussion in closed session under the posted closed session items in violation of the Brown Act.

Notably, according to the resignation letter of Kristi O’Connor, former GTA Board Secretary and administrative assistant to Dr. Martinez and Dr. Williams, GTA Board Members “Lynne Vaughan and Debbie Lamb directed [her] on the wording for the closed session on February 17 the way they wanted it.”⁴³ Ms. O’Connor stated that she “knew it was not Brown Act compliant” and “sent Debbie Lamb a text asking if this has gone to an attorney for review.” According to Ms. O’Connor, Ms. Lamb replied, “Yes, thank you.” Based on this statement from Ms. O’Connor, GTA’s Board Chair and Ms. Vaughan were responsible for preparing the closed session agenda item language and affirmed that it had been vetted by legal counsel. However, such affirmation by Ms. Lamb directly contradicts a statement made by GTA’s legal counsel in a letter, dated March 4, 2022 to Superintendent Spalding.⁴⁴ In that letter, which served as GTA’s

⁴⁰ See Email correspondence from D. Lamb to W. Spalding and M. Romao re: attendance at GTA Board meeting (February 17, 2022).

⁴¹ See Letter from GTA to District – Establishment of Transition Team After Departure of Superintendent/CEO Dr. Robert A Martinez (February 18, 2022.)

⁴² Cal. Gov. Code § 54957.

⁴³ Resignation letter from K. O’Connor, former administrative assistant to GTA Superintendent, Assistant Superintendent, and Board (March 7, 2022).

⁴⁴ The letter included the year 2021, which appears to be a typographical error. (See Response to Demand to Cure and Correct Pursuant to Government Code 54960.1 (March 4, 2022).)

written response to the District Demand to Cure and Correct Pursuant to Government Code 54960.1, dated February 25, 2022, GTA’s counsel acknowledged that GTA failed to follow Brown Act requirements and explicitly stated: “As it did *prior to the February 12, 2022* meeting, the Board will ensure it continues to consult legal counsel as necessary to avoid any inadvertent Brown Act violations.” (Emphasis added.) This statement indicates that Ms. Lamb misrepresented to Ms. O’Connor that she had in fact consulted with legal counsel to ensure the agenda language for the February 17, 2022 meeting was legally compliant. However, irrespective of whether the language was reviewed by GTA’s legal counsel, it does not negate or otherwise justify the GTA Board’s violation of the law, its charter, and bylaws.⁴⁵ It is readily apparent that the GTA Board knowingly chose to discuss these items in closed session to avoid public attention and transparency in its business affairs.

Second, the GTA Board illegally considered and acted to contract with third party consultants in closed session in violation of the Brown Act. Any consideration of a contract with a third party consultant or independent contractor to support a leadership transition or to otherwise provide advice and assistance in developing policies, procedures, or infrastructure for operational purposes is required to be agendized as an open session discussion/action item—there is no closed session authorization under the Brown Act for such matters. Consideration of, and action on, these types of contracts or agreements fall squarely within the Brown Act’s open meeting requirements under Government Code section 54953 and must be performed in public. The fact that the GTA Board completely shirked its responsibilities to perform this basic and fundamental function under the Brown Act is reckless, irresponsible, and violates the public trust.

Notably, Ms. Vaughan has served on the GTA Board since MITA was first authorized to operate as a charter school under District authorization in 1999—nearly 23 years ago. Likewise, Ms. Lamb has served on the GTA Board since 2010, or approximately 12 years. Clearly, given the length of such board membership, these individuals should be well-versed in the requirements of the Brown Act. There is simply no excuse for failing to develop a legally-compliant meeting agenda and limiting discussion in closed session to only those topics authorized under the Brown Act. In light of these clear violations of open meeting laws, the District has serious concerns regarding the full extent of the GTA Board’s abuse of closed session meetings to avoid public disclosure or scrutiny of matters under consideration.

The District also notes that GTA’s March 4, 2022 written response to the District’s Demand to Cure and Correct confirmed that the individuals who are supporting the transition at GTA are only serving in an advisory capacity to Mr. Nick Driver, now Acting Superintendent, and the GTA Board.⁴⁶ The letter includes the affirmation that “such individuals all previously had their independent contractor agreements approved by the Board in open session as required by law.” However, this represents another misstatement by GTA. The District carefully reviewed the agendas and meeting materials posted with the agendas to identify all independent contractor agreements that were considered by the GTA Board. Noticeably absent was any contract or agreement with Dr. Ting Sun, who was specifically announced as a consultant of GTA after the

⁴⁵ See Cal. Gov. Code §§ 54950 *et seq.*; MITA Charter, p. 27; GTA Bylaws, p. 7 of 17.

⁴⁶ See GTA Response to District’s Demand to Cure and Correct (March 4, 2022).

February 17, 2022 meeting. On March 10, 2022, the District specifically requested, in writing, copies of all consultant contracts that were considered and approved by the GTA Board from January 1, 2022 to the present.⁴⁷ GTA responded to the District's request on March 16, 2022, but did not include a copy of any contracts with Dr. Sun.⁴⁸ Thus, GTA failed to provide evidence to corroborate its statement and, once again, has demonstrated an overall lack of transparency in its business practices.

Third, to the extent that the GTA Board discussed and/or voted on any contracts or compensation of the transition team or local agency executives, such items are legally prohibited from being acted on in closed session or during a special board meeting. The Brown Act unambiguously states that, prior to taking final action, the governing board "shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive . . . during the open meeting in which the final action is to be taken."⁴⁹ Further, the Brown Act prohibits a governing board from "call[ing] a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive."⁵⁰ Therefore, because individuals serving on the transition team were assuming the duties and obligations that had otherwise been assigned to the GTA Superintendent and Assistant Superintendent (i.e., local agency executives), any decisions regarding compensation were required to occur during a regularly-scheduled board meeting in open session.

Interestingly, GTA's March 4, 2022 letter indicated that, due to changed circumstances, the GTA Board decided to not cure and correct the above Brown Act violations; rather, it decided to "approve new motions that reflect the School's current direction on these issues."⁵¹ To that end, GTA's counsel announced that the Board "will employ Nick Driver at the upcoming March 8, 2022 meeting to serve as Acting Superintendent for the remainder of the school year" and "will comply with all Brown Act and executive compensation requirements. . . ."

The March 4, 2022 letter serves as an acknowledgement that, prior to the March 8, 2022 meeting, Nick Driver's employment or contractual relationship, including any decisions related to compensation, were effectuated by the GTA Board during closed session in violation of the Brown Act. The District also finds it troubling that the letter, which the District received prior to the March 8, 2022 GTA Board meeting, expressly states that the GTA Board "will employ" Mr. Driver as the Acting Superintendent.⁵² This statement is both inappropriate and gives the strong

⁴⁷ See Letter from District to GTA – Request for Information and Records on Governance and Personnel Items (March 10, 2022).

⁴⁸ GTA Response to District Request for Information and Records on Governance and Personnel Items (March 16, 2022). See attachments included in footnote 142 for reference.

⁴⁹ Cal. Gov. Code § 54953(c)(3).

⁵⁰ Cal. Gov. Code § 54956(b).

⁵¹ See Response to Demand to Cure and Correct Pursuant to Government Code 54960.1 (March 4, 2022).

⁵² See Response to Demand to Cure and Correct Pursuant to Government Code 54960.1 (March 4, 2022).

impression that the decision to appoint Mr. Driver was already pre-determined by the GTA Board before a formal vote was taken in public, as required under the Brown Act.

Fourth, on February 28, 2022—three days *after* the District issued its Demand to Cure and Correct the Brown Act violations, GTA failed to heed the District’s clear directives and instead discussed unauthorized closed session items at its regular meeting. According to GTA’s February 28, 2022 board meeting agenda, the following closed session item was listed:

*Real Estate Negotiations: 425 Corcoran Ave.; 1 Positive Place; 2 Positive Place (Gov. Code section 54956.8)*⁵³

A governing board may meet in closed session with its negotiator to discuss the purchase, sale, exchange, or lease of real property by or for the local agency to grant authority to its negotiator regarding the price and terms of payment. Prior to convening closed session, or on the agenda, the governing board must (1) identify its negotiator, (2) the real property that the negotiations concern, and (3) the person(s) with whom the negotiator may negotiate.⁵⁴

Here, GTA merely listed the addresses for the real property under discussion or negotiation. The closed session item failed to specify the name of GTA’s negotiator, the person(s) with whom the negotiator may negotiate, and whether the discussion would be limited to price and terms of payment. Not only was this a technical violation of the Brown Act, but the GTA Board was prohibited from discussing these properties altogether given that such properties were already the subject of existing agreements and the price and terms of payment for such agreements were not up for negotiation. Specifically, the property located at 1 and 2 Positive Place is already subject to a long-term Ground Lease between the parties that was last amended in 2017. In addition, with respect to the Corcoran Site, the District and GTA had previously negotiated an Addendum to the Master Lease Agreement to provide temporary housing to students at this location, which was approved by the parties’ respective governing boards in January 2022. Given that the authorization to address real estate negotiations in closed session is limited to a discussion of price and terms of payment, there was no legal grounds for GTA to discuss either of these properties in closed session. Again, this represents a flagrant attempt to disobey and circumvent open meeting laws for purposes of privately discussing matters that must be addressed in public. These repeated violations of the Brown Act show the lack of regard that the GTA Board has for public accountability and transparency in the governance of MITA, and such actions undermine the integrity of the public education system.

Relatedly, the GTA Board’s repeated Brown Act violations and overt attempts to secretly address matters that are subject to public disclosure is further evidenced by the fact that none of the Board meetings are recorded. In fact, according to Ms. O’Connor’s resignation letter, Ms. O’Connor stated that GTA’s IT Director informed her that the GTA Board did not want the

⁵³ See GTA Regular Board Meeting Agenda (February 28, 2022).

⁵⁴ Cal. Gov. Code § 54956.8.

Board meetings videotaped or recorded.⁵⁵ While the District recognizes that there is no express legal obligation to record governing board meetings, this decision nevertheless reinforces the lack of transparency in the governance of MITA.

3. Micromanagement of GTA Administration and Usurpation of Duties/Obligations Assigned to Leadership Positions by Board Member Lynne Vaughan.

Board Member Lynne Vaughan has taken an active and lead role in the day-to-day operations of MITA, excessively micromanaged members of the GTA/MITA leadership team, and has usurped the duties and obligations assigned to leadership positions in violation of the approved charter. In addition, the GTA Board has modified the duties of senior administration—specifically the GTA Superintendent and Assistant Superintendent/Chief Business Officer positions—without reasonable explanation or justification.

MITA’s charter states that the “[d]ay-to-day administration of the school is managed by the Director, with duties assigned to the Chief Academic Officer, Chief Business Officer, Assistant Directors, staff/faculty, and parent/guardian and other volunteers as s/he sees fit, in accordance with approved position descriptions. The Board supervises the Director, establishes policy, serves on committees, engages in annual strategic planning, provides support to the Director as appropriate, and has the primary fiduciary and oversight tasks cited above.”⁵⁶

As affirmed in the above statement, members of the GTA Board are charged with (1) supervising the Director (or Superintendent), (2) establishing policy, (3) serving on committees, (4) engaging in annual strategic planning, and (5) providing support to the Superintendent, *as appropriate*. Ms. Vaughan, as a founding Board member of GTA, has far exceeded the scope of the proper functions of the GTA Board by micromanaging members of GTA administration and commandeering the duties assigned to GTA administrators. This has, at a minimum, contributed to the constant turnover of staff who do not feel they have the ability to effectively perform their assigned duties without the persistent supervision and input from Ms. Vaughan. The non-exhaustive list of examples below illustrate Ms. Vaughan’s extensive monitoring, supervising, and involvement in GTA and MITA operations that exceed the parameters for board member involvement articulated in MITA’s approved charter.

Example 1:

Ms. Vaughan was involved in extensive communications among staff concerning matters related to meetings to discuss art/technology credits for high school students, graduation requirements, classroom and student counts, facilities space configurations, teacher onboarding, start dates for classes, cost for hiring additional teachers, direction and supervision concerning hiring of teachers and independent study reporting requirements, direction related to communications with Contra Costa College related to dual enrollment, coordination of course availability for students,

⁵⁵ K. O’Connor Resignation Letter (March 7, 2022).

⁵⁶ See MITA charter, p. 27. Further, the position of “Director” was retitled to “Superintendent.”

vetting of schedules in relation to synchronous instruction in Spanish and chemistry period alignment, review/evaluation of coding on GTA’s expenditures to identify coding errors (e.g., special education expenses), direction on ongoing operations related to hiring of fiscal services staff and reclassifying employees, direction on reconstructing the budget, recommendation to hire back Kelly Penwell (former GTA Assistant Superintendent) to create a budget draft, and extensive written recommendations for compliance with Federal Program Monitoring (including action items and a “cheat sheet” for accomplishing same), among countless other operational, fiscal, and programmatic functions.⁵⁷

Example 2:

In an August 27, 2021 email from Ms. Vaughan to Dr. Williams, she stated that “the Fiscal Committee usually reviews any upcoming significant contracts, purchases, and personnel additions proposed. The idea is to get the nitty gritty questions asked and answered in the smaller (and much less public) venue prior to the Board meeting. That way, you can be assured that things will be approved at the meeting itself.”⁵⁸ Ms. Vaughan openly admitted in this correspondence that GTA’s Fiscal Committee deals with the “nitty gritty” issues involving business-related matters and indicates that this forum is beneficial because it is “much less public.” She then fully acknowledges that, by having the Fiscal Committee perform the initial review, this would ensure that the GTA Board would approve the items itself—insinuating that the GTA Board essentially rubber stamps any of the items that Ms. Vaughan has previously vetted. This is problematic from a governance (Brown Act) and organizational standpoint. It is entirely inappropriate for Ms. Vaughan to make and/or act upon such statements. This reflects her overreaching behavior, which exceeds the scope of her role as a GTA Board and committee member.

Example 3:

In a September 24, 2021 email to Dr. Martinez, Ms. Vaughan requested that GTA convene a meeting for the Fiscal and Audit Committee to review the District’s Notice of Fiscal Concerns, dated September 23, 2021, and discuss GTA’s response, including the creation of a plan to be submitted to the District to address the delays and communication failures that the District cited in its notice.⁵⁹ Two days later, Dr. Williams emailed Dr. Martinez and Dr. Gethsemene Moss, GTA Director of Learning, separately to inquire why the Fiscal and Audit Committee would be meeting to discuss the notice, rather than the GTA Board, given the seriousness of the notice. Dr. Williams correctly noted that the District’s notice should have the knowledge and input of the *entire* GTA Board, and should be publicly agendized.⁶⁰ The concerns raised by Dr. Williams, however, did not appear to be heeded, considering that the Fiscal and Audit Committee met on September 30, 2021 to discuss the District’s notice and a response to the

⁵⁷ See Miscellaneous email correspondence among GTA/MITA staff and Ms. Vaughan (August-October 2021).

⁵⁸ See Miscellaneous email correspondence among GTA/MITA staff and Ms. Vaughan (August-October 2021).

⁵⁹ See Miscellaneous email correspondence among GTA/MITA staff and Ms. Vaughan (August-October 2021).

⁶⁰ See Miscellaneous email correspondence among GTA/MITA staff and Ms. Vaughan (August-October 2021).

same.⁶¹ In fact, there is no indication that the GTA Board collectively reviewed or approved of the contents of its October 4, 2021 written response to the District’s notice before it was sent because the GTA Board did not convene a regular or special meeting until October 12, 2021.⁶² Although formal governing board approval may not be required, Ms. Vaughan’s direction to Dr. Martinez to schedule a Fiscal and Audit Committee meeting to review the District’s notice and respond to the fiscal concerns was a calculated and obvious attempt to minimize attention and scrutiny from the public, consistent with the remarks Ms. Vaughan made in her August 27, 2021 email to Dr. Williams.

Example 4:

In or around August and September 2021, Ms. Vaughan met with Dr. Moss following her employment with GTA as the Director of Learning to review her job description and to address with her the elements/duties added to the published job description, multiple Director of Learning duties that Ms. Vaughan would accomplish, specific suggestions related to the listed duties, and items requiring action “needed soon.”⁶³ Ms. Vaughan went to the extent of color-coding the job description for Dr. Moss’s reference, which delineated such details. Ms. Vaughan identified the items she would assume in “green,” which included:

- completing all of the 2020-2021 Federal Program Monitoring compliance items;
- developing the grant reporting calendar for the Career Technical Education Incentive Grant (“CTEIG”), Strong Workforce Program (“SWP”), and Specialized Secondary Program (“SSP”); and
- developing all materials (including a checklist and calendar) for implementation of the tutoring program.

While the District recognizes that GTA may have been in a transition period with its leadership team at the time, the extent of Ms. Vaughan’s micromanagement of Dr. Moss and the assumption of specifically-assigned duties for this position exceeds the bounds of proper involvement by a board member in the day-to-day operations of GTA and MITA.

Example 5:

Ms. Vaughan took the lead in writing grants (e.g., ASES and 21 Century grants), preparing the ESSER III plans for MITA, evaluating Career Technical Education Incentive Grant (“CTEIG”)

⁶¹ See GTA Fiscal and Audit Committee Minutes from September 30, 2021 meeting.

⁶² See GTA website with listing of Board Meeting Information and meeting dates at: <https://griffintechnologyacademies.org/board-meeting-information/>.

⁶³ See GTA Job Description: Director of Learning with color-coded markup by L. Vaughan.

changes for grant applications, and writing the Local Control and Accountability Plans (“LCAPs”).⁶⁴

Example 6:

Ms. Vaughan sent email correspondence to Dr. Martinez and Dr. Moss regarding a ParentSquare communication from a GTA employee reflecting “unprofessional grammar, spelling, and content.”⁶⁵ Ms. Vaughan noted that the “spelling and grammar issues are evident” and asked that the employee either have GTA administration review the communications before they are sent to parents, or to have the employee use a grammar/spellcheck function.⁶⁶ While use of proper grammar and punctuation are certainly important in an educational setting, Ms. Vaughan’s remarks to GTA administration are hypercritical and further illuminate the level and degree of her intimate involvement in the everyday activities and communications of GTA staff.

Example 7:

Based on a review of recent email correspondence among GTA Board members and the former GTA Superintendent, Ms. Vaughan served as the pivot point on most items of business and there was a showing of clear deference as she directed GTA Board members and staff on many of the items raised in such communications. Notably, it was evident from the correspondence that Ms. Vaughan wrote at least one of the Friday updates that was sent by GTA to the District.⁶⁷

As reflected in the above examples, Ms. Vaughan’s level of involvement as a GTA Board member is excessive, improper, and violates MITA’s charter. The day-to-day operations of GTA and MITA are effectively being controlled and manipulated by a single Board member, thus destroying the system of checks and balances within the charter school organization that is designed to ensure appropriate distribution of decision-making power, accountability, and transparency. It is evident that Ms. Vaughan cannot relinquish control over every facet of the operations of GTA and MITA, which has likely been a significant factor in the constant turnover of administration and staff at GTA and MITA, including the resignation of three superintendents, one assistant superintendent, two directors of fiscal services, the assistant to the Superintendent and Assistant Superintendent/CBO, and others over the course of only two years.

4. Failure to Provide Educationally Sound and Legally-Compliant Independent Study Instruction to Students Following MITA Campus Closure.

⁶⁴ See Miscellaneous email correspondence among GTA/MITA staff and Ms. Vaughan (August-October 2021).

⁶⁵ See Miscellaneous email correspondence among GTA/MITA staff and Ms. Vaughan (August-October 2021).

⁶⁶ Notably, Ms. Vaughan criticized the GTA employee for improper grammar and punctuation; yet, in the same communication, Ms. Vaughan incorrectly spelled the word “judgment,” stating, “That’s a judgement [*sic*] call, of course, but I would tend to agree with the parent.”

⁶⁷ See GTA Response to Request for Information Concerning Governance and Personnel Items (April 15, 2022). See attachments included with footnote 144 for reference.

MITA affirms in its approved charter that it “complies with all applicable federal, state, and local laws.”⁶⁸ This necessarily includes compliance with the independent study requirements under Education Code section 51745 *et seq.* to the extent that MITA provides independent study instruction to students enrolled in its charter school program.

As previously addressed in this NOV, the GTA Board took action on November 9, 2021 to shutter the entire MITA Campus due the presence of mold in the facilities. In light of the abrupt closure, on November 18, 2021, the District’s legal counsel sent a written communication to GTA’s legal counsel directing the following:

*GTA shall prepare and communicate a comprehensive written plan detailing how it will ensure continuity in instructional programming in compliance with applicable law and the MIT charters for MIT’s middle and high school students until such time as temporary housing becomes available. This plan must be provided to the District by no later than Monday, November 29, 2021 at 8:00 a.m. to the attention of District Superintendent William Spalding.*⁶⁹

On November 28, 2021, Dr. Martinez sent the District a letter that provided meager details on MITA’s instructional plan during the time in which students were unable to receive in-person instruction.⁷⁰ In the letter, Dr. Martinez stated that “all services normally provided to students were continued in similar fashion to our previously provided distance learning models.” He noted that MITA had initiated a request for J-13A funding and was seeking consultation from the California Department of Education (“CDE”) based on the belief that MITA would qualify for such funding given the circumstances leading to the GTA Board’s decision to close the MITA Campus. Dr. Martinez’s letter also listed “goals” for MITA, which among other things, included overly-generalized statements such as maintaining students in remote learning until MITA could be assured that the facilities were able to meet student academic needs, bringing back students to the campus, and maintaining the operational efficiency of the GTA organization.

On December 3, 2021, the District provided a follow-up letter to Dr. Martinez’s correspondence indicating that the proposed plan was deficient and unacceptable in multiple respects.⁷¹ Most significantly, the District drew attention to the fact that “distance learning” (or “remote learning”) was an instructional model under Senate Bill 98 that authorized local educational agencies to provide distance learning in lieu of in-person instruction due to the COVID-19 pandemic. However, “distance learning” became inoperative as of June 30, 2021. The District explained that, for the 2021-2022 school year, Assembly Bill 130 requires that the “distance

⁶⁸ See MITA charter, p. 27.

⁶⁹ See Email correspondence from L. Lacher, legal counsel for District, to R. Nunn, legal counsel for GTA (November 18, 2021). The email correspondence inadvertently referenced the date of “November 29, 2022” instead of November 29, 2021.

⁷⁰ See Letter from GTA to District – Response Regarding Continuity of Instructional Programming for MIT Middle and High School Students (November 28, 2021).

⁷¹ See Letter from District to GTA Regarding Notice of Concerns Regarding Health and Safety of Students, Coordination of Student Housing and Instructional Program (December 3, 2021).

learning” option be provided via independent study and in compliance with the amended independent study requirements under Education Code sections 51745 *et seq.* (including requirements for the adoption of independent study policies, maintenance of a current written agreement for each student participating in independent study, etc.). Dr. Martinez’s letter, however, was completely devoid of these details and represented a complete lack of knowledge and understanding of the rules applicable to independent study. The District emphasized that compliance with the requirements is absolutely critical for purposes of ensuring appropriate instruction to students and the ability to claim and receive state apportionment funding for such students.

The District also contested MITA’s pursuit of a J-13A waiver through the CDE, and questioned whether MITA could satisfy the conditions that must be met to qualify for such funding. The District further noted that, as part of the form submission process, MITA would have to certify that it had a plan for offering independent study.

Due to the deficiencies in MITA’s instructional plan, the District requested additional information and supporting documentation in its December 3, 2021 letter to verify whether MITA (1) was satisfying all requirements to provide its students with independent study, (2) was ensuring that it was meeting the needs of English Learners and students with disabilities in a manner that complied with all applicable laws, (3) had developed a comprehensive written independent study plan that would meet the requirements for submission of a J-13A request, (4) had identified the rationale for J-13A funding and had engaged in consultative efforts with CDE regarding the J-13A request, (5) had developed the timeline and plan for installation of portables on the MITA Campus, and (6) had determined the manner in which it would ensure continuity in instructional planning for students while the construction-related work was underway.

On December 10, 2021, on behalf of MITA, Dr. Martinez sent a written response to the District’s December 3, 2021 letter and requests for information/documentation.⁷² In the letter, MITA unequivocally affirmed that it had met all requirements for providing independent study instruction for its middle and high school students and included supporting documentation. In response to the District’s inquiry concerning the manner in which MITA was meeting the needs of English Learners and students with disabilities during that time, the letter included a general statement that “[p]roviding a free appropriate education for all of our students is at the core of our mission and GTA is committed to continuing needed services to all students during this emergency . . . MIT[A] is continuing to provide designated and integrated English Language Development instruction for English Learner students, as well as to provide special education and related services to students who have individualized education programs (“IEPs”).” With respect to the submission of a J-13A request, Dr. Martinez acknowledged that the statement he previously made regarding communications with CDE was “inadvertently made in error” and was intended to state that GTA had consulted with the California Charter Schools Association. Finally, with respect to the District’s inquiry concerning continuity in instructional

⁷² See Letter from GTA to District – Response to Notice of Concerns Regarding Health and Safety of Students, Coordination of Student Housing, and Instructional Program (December 10, 2021).

programming, Dr. Martinez expressed that GTA was focused on “ensuring that MIT students are provided with a sound education.”

On December 16, 2021, the District sent another follow-up request for information to MITA seeking a full school roster of students enrolled in MITA, a copy of the dated and fully-executed written master independent study agreement for every student participating in independent study, and a description of the alternative educational options that MITA has made available to parents/guardians of students who were not participating in independent study.⁷³

On December 21, 2021, on behalf of MITA, Dr. Martinez responded in writing to the District’s December 16, 2021 letter.⁷⁴ He shared that, upon further review with MITA’s legal counsel, MITA began seeking approval of the independent study written agreements from each parent, student, and assigned teacher with oversight responsibility. Dr. Martinez then shared that MITA was “admittedly late in initiating this venture, and believed that [MITA] had previously received approval from several hundred parents to initiate independent study. However, we were informed that we would need signatures on the Independent Study Written Agreements.” Dr. Martinez expressed that MITA was “aware of the significant financial penalty that the Charter School “may be facing” as a result of the failure to secure fully-executed agreements within the allowable thirty-day period. Along with the letter, Dr. Martinez transmitted current student rosters and copies of the signed agreements that it had in its possession as of that date.

On January 28, 2021, the District sent another follow-up letter to MITA to address significant concerns with the series of communications regarding MITA’s independent study program compliance to date.⁷⁵ Significantly, the District identified the fact that MITA had only collected a total of seven (7) executed independent study written agreements for its middle school students, and fifteen (15) executed agreements from its high school students, representing only 2.7% of the total student population enrolled in the middle and high school programs combined. This is completely inexcusable and without justification. The District expressed that it was perplexed and dismayed by MITA’s statements that it believed it had secured the “approval” of hundreds of parents of students to participate in independent study without a signed written agreement in place within thirty (30) days of the commencement of instruction. The District underscored the fact that MITA was compromising its ability to secure apportionment funding for its students and could be assigned fiscal penalties as a result of its failure to operate a legally-compliant independent study program.⁷⁶ The District also noted that MITA had failed to address its question regarding the alternative educational options that it was required, by law, to provide to students who would not be participating in independent study, and which it promised to

⁷³ See Letter from District to GTA – Follow-Up Requests for Information on Independent Study Instruction (December 16, 2021).

⁷⁴ See Letter from GTA to District re: Response to December 16, 2021 letter (December 21, 2021).

⁷⁵ Letter from District to GTA – Follow-Up to December 21, 2021 Response to Request for Additional Information Concerning MITA Academy’s Independent Study Instruction (January 28, 2022).

⁷⁶ As of the most recent written update from GTA, dated April 12, 2022, GTA is still waiting to receive approximately 100 signed independent study agreements from its families. Over five months have passed since GTA closed the MITA Campus and transitioned students to independent study.

provide in the independent study written agreement disseminated to the parents/guardians of its students.⁷⁷ The District included another series of questions concerning MITA's instructional program and ability to meet the needs of critical student populations, including English Learners and students with disabilities. These issues are further addressed below.

Based on the information detailed above and in the supporting documentation, MITA repeatedly violated the affirmation in its approved charter that it would comply with all applicable laws by failing to comply with the independent study requirements articulated in Education Code sections 51745 *et seq.* In sum, MITA violated the following:

- The requirement that instruction in independent study may only be provided if the student is offered the alternative of classroom instruction. (Education Code § 51747(g)(8).)
- The requirement that a current written agreement for each independent study student be maintained on file that includes all of the components required under Education Code section 51747(g).⁷⁸
- The requirement that, for the 2021-2022 school year only, a local educational agency shall obtain a signed written agreement for an independent study program of any length of time from the pupil, or the pupil's parent or legal guardian if the pupil is less than 18 years of age, the certificated employee who has been designated as having responsibility for the general supervision of independent study, and all persons who have direct responsibility for providing assistance to the pupil no later than 30 days after the first day of instruction in an independent study program or October 15, whichever date comes later. (Education Code § 51747(g)(9)(F).)
- The requirement to ensure that English Learners participating in independent study must continue to receive designated and integrated English Language Development ("ELD") as part of their educational curriculum. In addition, the requirement that the charter school is required to maintain a current written agreement for each independent study student that includes a statement detailing the academic and other supports which will be provided to address the needs of English Learners. (Education Code §§ 51747(a) and (g)(7); California Code of Regulations § 11309.)⁷⁹

⁷⁷ In its February 4, 2022 written response to the District January 28, 2022 letter, GTA and MITA admitted that "MIT middle and high school students were not provided with in-person educational options."

⁷⁸ MITA engaged in significant delays in preparing and disseminating the proposed independent study written agreements to parents/guardians, which occurred *after* MITA had already transitioned to full-time independent study instruction.

⁷⁹ This violation is further addressed in subsection (a) below.

- The requirement that a student with special needs shall not participate in independent study unless the student’s IEP specifically provides for that participation. (Education Code § 51745(c).)⁸⁰

Neither GTA nor MITA can justify the above violations based on an “assumption” that MITA had previously obtained the “approval” of parents/guardians to have their students collectively participate in independent study. The independent study requirements of Assembly Bills 130 and 167 were widely disseminated, discussed, and implemented by public school systems across the State of California at the start of the 2021-2022 school year. In fact, the GTA Board adopted an independent study board policy on August 10, 2021 and subsequently amended that same policy on October 12, 2021—nearly a month prior to the closure of the MITA Campus.⁸¹ The adopted policy specifically includes the updated requirements under AB 130 and AB 167, along with the explicit statement: “For the 2021-22 school year only, written agreements may be completed and signed as provided above no later than 30 days after the first day of instruction in an independent study program, or October 15, whichever date comes later.” This was also memorialized in the independent study written agreements disseminated to MITA families.⁸² Therefore, it is disingenuous for GTA and MITA to claim that they assumed they had “approval” to provide independent study instruction to students. Clearly, given the prior statements about how MITA pivoted to “distance learning,” it is evident that both the GTA Board and MITA administration had little to no understanding as to how to implement the independent study requirements with fidelity. This begs the question whether the GTA Board or administration even reviewed the original or amended versions of the independent study policy before adoption, which would have provided a roadmap for implementing such instruction for students.

Further, irrespective of MITA’s claim that there was a lack of available alternative in-person “options,” this does not negate its statutory obligations under the Education Code or the terms of its approved charter. Again, there is no excuse for such ineptitude and failure to follow straightforward legal requirements related to student instruction and for which a wealth of resources, guidance, and tools were available for review or consultation.

The District also notes that it is extremely troubling that GTA and MITA failed to prioritize the transition of middle school students to the Corcoran Site as soon as it became available for use. Shortly after the closure of the MITA Campus, significant efforts were underway by the District and the legal counsel of the respective parties to prepare the legal instrument for use of the Corcoran Site as temporary housing for MITA students once MITA satisfied the necessary conditions imposed by the District’s Board for such occupation and use. As of January 11, 2022, MITA had met the District’s conditions for use of the Corcoran Site as temporary housing, including the receipt of a fully-executed, board-approved Addendum to the Amended and Restated Master Lease Agreement between the District and GTA. It was on this date that the District formally issued a letter lifting the cease and desist directive pertaining to the Corcoran

⁸⁰ This violation is further addressed in subsection (b) below.

⁸¹ See GTA Independent Study Board Policies (Curriculum and Instruction).

⁸² See sample GTA Independent Study Agreement (2021-2022).

Site.⁸³ Yet, in its February 4, 2022 letter to the District, MITA expressed its hope to have students return to in-person learning at the site on February 21, 2022.⁸⁴ In fact, MITA students did not begin receiving classroom-based instruction until March 1, 2022—nearly two months after the Corcoran Site became available.

Despite the multiple and ongoing assurances that GTA and MITA provided to the District that they were taking all measures to prioritize the interests of students, the actions of the GTA Board and MITA administration demonstrated otherwise. GTA and MITA should have been prepared and mobilized to effectuate an efficient and seamless transition back to in-person instruction for students who had been deprived of a classroom-based education, as promised in MITA’s charter, and who had to endure months of physical isolation from their teachers, counselors, and peers. The delays associated with this move to the Corcoran Site only serve to further reinforce the sheer lack of effective governance and ability on the part of the GTA Board and leadership to operate a legally-compliant charter school program.

(a) Failure to Satisfy Legal Requirements for Participation of English Learners in Independent Study Instruction.

MITA has a duty both under its approved charter and the law to support the needs of English Learners. As noted above, this includes the requirements to (1) ensure that English Learners participating in independent study receive designated and integrated ELD as part of their educational curriculum, and (2) maintain a current written agreement for each independent study student that includes a statement detailing the academic and other supports which will be provided to address the needs of English Learners.⁸⁵

In its January 28, 2022 letter to MITA, the District specifically requested that MITA provide both detailed responses *and* supporting evidence or documentation in response to its questions, including those related to independent study instruction for English Learners. First, the District asked how MITA administered designated and integrated ELD instruction as part of the educational curriculum for English Learners during the time period in which students were participating in independent study instruction. In its February 4, 2022 response, MITA generally stated that it has “maintained its ELD instruction during independent study and virtual instruction in the same manner in which it was provided on campus . . . Participation in independent study during the time period at issue has not impacted MIT’s administration of designated and integrated ELD.”

This response was devoid of any meaningful detail demonstrating that MITA was complying with its legal obligations and the terms of its charter to ensure the consistent delivery of designated and integrated ELD. In addition, MITA failed to provide any supporting

⁸³ See Letter from District to GTA Regarding Lifting of Cease and Desist Directive Pertaining to Former Everest Elementary School Site (January 11, 2022).

⁸⁴ See Letter from GTA to District – Response to District’s Follow-Up Request for Additional Information (February 4, 2022).

⁸⁵ Educ. Code §§ 51747(a) and (g)(7); 5 C.C.R. § 11309.

documentation or evidence to demonstrate compliance. Consequently, without such information, the District is left with taking MITA at its word based on the general statements included in its response. Given the extensive misstatements, lack of legal compliance, and errors in judgment demonstrated in other aspects of its operations, however, the District cannot rely upon these blanket assertions as a means to verify that MITA students classified as English Learners actually received the instruction and supports to which they were legally entitled.

Moreover, MITA failed to meet its legal obligation to ensure that it maintained written agreements for English Learners detailing the academic and other supports that would be provided by MITA during independent study instruction.⁸⁶ This is evidenced by MITA's failure to obtain fully-executed independent study written agreements for English Learners by the required deadline set out in the Education Code. In addition, although the sample independent study written agreements provided by MITA include examples of supports offered by the charter school, these are generic and boilerplate. They are not tailored to the individual student's educational needs nor do they otherwise identify specific supports that may be appropriate for distinct student groups (e.g., English Learners).

Thus, MITA failed to satisfy the applicable independent study requirements for English Learners.

(b) Failure to Satisfy Legal Requirements for Participation of Students with Disabilities in Independent Study Instruction.

MITA provides the assurance in its approved charter that it "shall adhere to all provisions of federal law related to students with disabilities including, but not limited to, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, and the Individuals with Disabilities in Education Improvement Act of 2004."⁸⁷

MITA further states in its charter that "[p]arents/guardians of students with IEPs at MIT Academy must give written consent for the evaluation and placement of their child, be included in the decision-making process when change in placement is under consideration, and be invited, along with teachers, to conferences and meetings to develop their child's IEP." In addition, the charter provides that "[a]ll decisions concerning the special education programs and services to be provided to the student are made by the IEP team. . . ."⁸⁸

With respect to independent study instruction for students with disabilities, Education Code section 51745(c) unequivocally states that "[a]n individual with exceptional needs, as defined in Section 56026, shall not participate in independent study, unless the pupil's individualized education program developed pursuant to Article 3 (commencing with Section 56340) of Chapter 4 of Part 30 specifically provides for that participation." In addition, Education Code section 51747(g)(7) requires that the written independent study agreement for a student with special

⁸⁶ Educ. Code § 51747(g)(7).

⁸⁷ See MITA Charter, Appendix K.

⁸⁸ See MITA Charter, pp. 16, 19.

needs include a “statement detailing the academic and other supports that will be provided to address the needs of . . . individuals with exceptional needs in order to be consistent with the pupil’s individualized education program. . . .”

In its February 4, 2022 written response to the District’s January 28, 2022 follow-up letter requesting information, MITA admitted that it failed to convene IEP meetings for its eligible students to specifically provide for participation in independent study in accordance with Education Code section 51745(c).⁸⁹ Rather, MITA immediately placed all students with disabilities in independent study upon the closure of the MITA Campus in November 2021. MITA attempted to mitigate this violation by stating the following in its response:

While MIT did not amend all students’ IEPs to specifically provide for independent study in accordance with Education Code section 51745(c), all students whose annual and triennial IEP meetings were due from November 9, 2021, to present, have been timely held. During each meeting, the team discussed each student’s progress, including participation in independent study. Accordingly, although MIT may not have included a specific statement regarding the student’s participation in independent study in all IEPs, substantively, the IEP team discussed the students’ offers of a free, appropriate public education (“FAPE”) in the context of such participation. Therefore, despite this acknowledged procedural error, MIT continued to ensure that students maintained access to FAPE during the temporary participation in independent study.

First, the above statement only applies to a subset of middle school students whose annual or triennial IEP reviews happened to fall between the window of November 9, 2021 and February 4, 2022. The response does not address the remaining students whose annual or triennial reviews were not due during that timeframe. Second, the statement that MITA “continued to ensure that students maintained access to FAPE during the temporary participation in independent study” is misleading. Such “temporary” participation in independent study was not for a few days or weeks—it continued for nearly four months. Further, even if the convening of these meetings mitigated the violation for the particular subset of students noted above, MITA failed to provide any evidence that (1) such annual and triennial reviews were actually held, (2) the IEP team discussed the provision of a FAPE in the context of independent study instruction, (3) each student could, in fact, receive a FAPE via participation in independent study, and (4) each student was receiving designated instruction and services in conformity with the student’s IEP. Rather, MITA only made generalized statements affirming that such students were receiving a FAPE. This is wholly insufficient to demonstrate compliance with the IDEA and Education Code.

MITA also attempted to justify its failure to convene IEP meetings and document the students’ participation in independent study in their respective IEPs prior to such participation by stating that “it was not necessary to change students’ special education placements, as they remained

⁸⁹ See Letter from GTA to District – Response to District’s Follow-Up Request for Additional Information (February 4, 2022).

placed in general education.” However, this assumption is incorrect. CDE specifically addresses this issue in its Assembly Bill 130 Independent Study FAQs:

Question: Is independent study a change in placement for a special education student?

Answer: Yes, enrollment in independent study is considered a change in placement for a special education student. This requires an agreement of the parent/guardian and LEA in an IEP meeting, or via amendment without a meeting.⁹⁰

Therefore, MITA was required to convene an IEP meeting for each eligible student (or amend the IEP without a meeting) and obtain the parent/guardian’s written consent prior to transitioning the student to independent study.

Further, MITA stated in its letter that it had included an Emergency Circumstances Program in each student’s IEP to provide the provision of services virtually under emergency conditions. MITA noted that Senate Bill 98 amended Education Code section 56345(a)(9) to require a student’s IEP to include a description of the means by which the IEP would be implemented under emergency conditions if instruction and/or services could not be provided at the school or in person for more than ten school days.⁹¹ MITA claimed that the closure of the MITA Campus due to the mold exposure constituted an “emergency condition” under this statute. However, there is no indication that the closure of the MITA Campus actually met the definition of an “emergency condition,” as that term is defined in Education Code section 46392.⁹² As discussed above, both GTA and MITA had been aware for potentially *years*, based on staff complaints, of the possible mold exposure. Yet, they did nothing about these concerns until months after the District brought the issue to their attention. Even then, the GTA Board waited another three weeks, after receiving the fungal and lab reports showing the presence of mold in certain facilities, to close the MITA Campus. Thus, it can hardly be said that the closure was necessitated due to an emergency similar to a sudden and catastrophic flood, earthquake, fire, epidemic, natural disaster, or other comparable circumstances.

Even if the closure qualified as an “emergency condition,” MITA has provided the District with no information to show that every eligible student’s IEP has an Emergency Circumstances Program that includes the parent/guardian’s consent, or that MITA properly implemented the students’ IEPs in accordance with that program. Again, it is not sufficient for MITA to merely claim that students have fully accessed their instruction and services in conformity with their IEPs without any evidence to support such an assertion. In addition, MITA made no effort to provide in-person instruction, services, or supports to eligible students in non-contaminated rooms on the MITA Campus, nor did it provide any evidence or rationale that alternative in-

⁹⁰ See <https://www.cde.ca.gov/sp/se/ac/ab130faq.asp#accordionfaq>.

⁹¹ Educ. Code § 56345(a)(9).

⁹² Emergency conditions detailed in Education Code section 46392 include the following: (1) fire, (2) flood, (3) impassable roads, (4) epidemic, (5) earthquake, (6) the imminence of a major safety hazard as determined by the local law enforcement agency, (7) a strike involving transportation services to pupils provided by a nonschool entity, or (8) an order provided for in Education Code section 41422.

person learning options were unavailable or could not be accessed. Thus, MITA cannot support its use of the “emergency condition” language in Education Code sections 46392 and 56345(a)(9) to justify its transition of students with IEPs to an independent study program.

Thus, MITA violated the terms of its charter by failing to comply with the applicable provisions of the IDEA and related California special education laws. Most alarmingly, MITA deprived this critical population of students the ability to receive in-person instruction and services consistent with their respective IEPs, or to otherwise take the steps necessary to ensure that the delivery of instruction and services in a virtual, independent study setting could provide such students with a FAPE. While MITA attempts to hide behind the “emergency condition” language in the Education Code to rationalize this failure and avoid potential liability, this does not change the fact that the students have been denied the opportunity to receive the quality of education designed to meet their unique educational needs that they were promised by MITA.

B. GTA and MITA Have Engaged in Fiscal Mismanagement and Have Failed to Follow Generally Accepted Accounting Principles.

1. Financial Reporting Delays.

MITA provides the assurance in its approved charter that it shall comply with all applicable federal, state, and local laws, which includes Education Code requirements concerning financial reporting deadlines.⁹³ Specifically, under Education Code section 47605(m), a charter school “shall transmit a copy of its annual, independent financial audit report for the preceding fiscal year . . . to its chartering authority, the Controller, the county superintendent of schools of the county in which the charter school is sited . . . and the department by December 15 of each year.”⁹⁴ However, MITA failed to comply with the statutorily prescribed financial reporting deadline for the independent audit report for the 2019-2020 fiscal year.

Due to the COVID-19 pandemic, the December 15th deadline for the submission of MITA’s audited financial statement for the 2019-2020 fiscal year was extended to March 31, 2021 under Senate Bill 98. Despite this extension of three and a half months, GTA leadership informed the District in February 2021 that it would be unlikely that GTA could meet the March deadline.⁹⁵ Due to the District’s concerns regarding this extension request, the District met with GTA’s auditors to discuss the delays to the audit report and the need for the extensions. Through that meeting, the District learned that the audit delay was the result of GTA’s deficient fiscal management practices. This included GTA’s failure to produce the necessary documents for the auditor to complete the audit, and its failure to provide the auditor with the requested information in a timely fashion. As a result of these delays, the auditor could not complete its fieldwork for the preparation of the audit report. (This conversation between the District and GTA’s auditor

⁹³ See MITA Charter, Appendix K.

⁹⁴ See Cal. Educ. Code § 47605(m).

⁹⁵ See District Notice of Concerns Regarding Fiscal Practices (March 19, 2021).

also revealed several other instances of severe fiscal mismanagement, which are discussed in more detail in the following section.)

After the meeting between the District and GTA's auditor, the auditor indicated that it planned to issue the audit report either in late April 2021 or early May 2021. Then, on March 10, 2021, GTA's Board requested on behalf of MITA and its other charter schools, a further extension of the deadline to complete its independent financial audit report to June 9, 2021.⁹⁶ The District responded in writing to express its serious concerns regarding GTA's failure to timely prepare its audit report. The District stated that it would not agree to an extension of the deadline to June 9, 2021; however, the District would authorize an extension to April 15, 2021 for GTA to complete the audit.⁹⁷

Similarly, MITA also failed to comply with the statutorily-prescribed deadline for the submission of its unaudited actuals report for the 2020-2021 fiscal year. Education Code section 47604.33 requires a charter school to submit its final unaudited reports for the full prior year by September 15th, and MITA affirmed in its approved charter that it would comply with this reporting requirement. However, two weeks prior to the September 15, 2021 deadline, GTA requested a one-week extension to submit MITA's unaudited actual report.⁹⁸ Given MITA's statutory and contractual obligations to meet this reporting deadline, and considering GTA's failure to timely submit its independent financial audit report for the 2019-2020 fiscal year, the District rejected this request and stated that GTA would be required to comply with the September 15th deadline.⁹⁹ However, GTA did not submit the reports for MITA on the September 15th deadline.

Consequently, on September 16, 2021, the District contacted GTA to inquire as to the status of the unaudited actuals report. Dr. Williams informed the District that it would not comply with this deadline due to administrative changes at GTA at the beginning of the 2021-2022 school year.¹⁰⁰ The District also learned that GTA had notified the Solano County Office of Education of this fact, but had not included the District in that correspondence. GTA expressed that its goal was to have the unaudited actuals finalized and submitted by October 15, 2021. Therefore, the District requested supporting information detailing how this date was determined. It was not

⁹⁶ GTA Extension Request Letter (March 10, 2021).

⁹⁷ See Letter from District to GTA – Audit Extension Request for 2019-2020 Fiscal Year (March 11, 2021).

⁹⁸ See Email correspondence from M. Williams to R. Loza (August 30, 2021).

⁹⁹ See Email correspondence from R. Loza to M. Williams (September 1, 2021).

¹⁰⁰ See Email correspondence from M. Williams to R. Loza (September 16, 2021).

until the District made a second request for this information that GTA responded on September 22, 2021.¹⁰¹

On September 23, 2021, the District sent a Notice of Fiscal Concerns to GTA.¹⁰² In that Notice, the District detailed its significant concerns regarding GTA's fiscal management practices and reporting delays. The District noted that GTA failed to meet the statutory reporting deadline for the 2020-2021 unaudited actuals report only a few months after GTA had failed to meet the deadline for the 2019-2020 independent final audit report, indicating that GTA was not taking seriously the concerns raised in the District's prior communications regarding the reporting delays. The District had already placed GTA and MITA on notice of its concerns regarding the lack of an appropriate leadership transition at the beginning of the 2020-2021 school year, the failure to timely communicate with the District regarding the status of its fiscal condition and the delay in the preparation of its financial reports, and GTA's excessive proposed extension deadline for completion of the 2019-2020 audit. The District reminded GTA and MITA that it had established a series of corrective actions and a communications protocol in an effort to compel GTA to demonstrate legal compliance and resolve the identified concerns. However, it became clear that the same problems continued to permeate the organization and had not been effectively addressed or remedied.

MITA's failure to meet statutorily prescribed reporting timelines is extremely concerning because it demonstrates that MITA has continued to implement unsound fiscal practices and is incapable of meaningfully addressing and correcting its internal controls and procedures to ensure that the organization is meeting its charter obligations. GTA and MITA's repeated failure to meet the required financial reporting deadlines constitutes a violation of MITA's charter and the law.

2. Additional Deficiencies in Fiscal Practices and Management.

In addition to GTA and MITA's failure to meet the required financial reporting deadlines under Education Code section 47604.33, GTA and MITA have demonstrated poor fiscal management and the inability to implement sound fiscal practices.

As referenced above, on March 19, 2021, the District sent a Notice of Fiscal Concerns to MITA and GTA, largely as a result of the fiscal mismanagement issues that the District uncovered through its meeting with GTA's auditor after GTA's second extension request for the 2019-2020

¹⁰¹ See Email correspondence from M. Williams to R. Loza (September 22, 2021).

¹⁰² See Notice of Fiscal Concerns (September 23, 2021).

fiscal year audit report. The fiscal mismanagement issues and unsound fiscal practices identified by the District in its Notice of Concerns included the following:

- GTA's failure to produce to its auditor the documents necessary for the auditor to conduct the independent financial audit for the 2019-2020 fiscal year.
- In regards to the Governmental Accounting Standards Board Statement No. 34 adjustments for the 2019-2020 fiscal year, the auditor had prepared an adjustments schedule for GTA for purposes of preparing the audit of the financial statements; however, after reviewing all of the adjustments, the auditor still could not reconcile the general ledger accounts, specifically the cash account. The auditor stated that it had identified every entry on its side and provided a schedule of adjustments to GTA to book. The auditor was unclear whether GTA processed all of the entries on its schedule. In addition, the auditor learned that GTA had processed its own entries, which created large discrepancies in GTA's beginning balances.
- GTA could not confirm to its auditor that all financial statements were reconciled and balanced. Rather, GTA informed the auditor that additional adjustments were necessary to reconcile the general ledger (i.e., accounts payable and accounts receivable). Consequently, the general ledger could not be reconciled to the backup documents.
- GTA could not locate the records necessary to reconcile its beginning balances.
- GTA attempted to have its own auditor perform reconciliations, which would have significantly detracted from the independence of the audit report.

GTA attributed many of the issues set forth above to the changes in GTA's administration. However, changes in GTA's leadership and accounting firms do not excuse GTA or MITA from meeting their obligations set forth in law.

In light of the issues identified above, the District included a corrective action plan and communications protocol in its March 19, 2021 Notice of Fiscal Concerns. The corrective action plan and communications protocol required GTA to take certain actions intended to help correct GTA's broken fiscal practices, which included providing status updates to the District regarding the audit, attending weekly meetings, and other proactive measures. GTA provided the status update requested in the first corrective action through its March 23, 2021 Response to the District's Notice of Concerns Regarding Fiscal Practices.¹⁰³ However, thereafter, GTA's compliance with the corrective action plan largely dropped off. GTA failed to initiate the weekly meetings requested in the second item of the corrective action plan, leading the District to have to follow up with GTA yet again.¹⁰⁴ Overall, it was apparent that GTA did not take the District's

¹⁰³ See Letter from GTA to District – Response to Notice of Concerns Regarding Fiscal Practices (March 23, 2021).

¹⁰⁴ See Email correspondence and virtual meeting invitation from R. Loza to D. Yoshihara, former GTA Superintendent, re: virtual audit meetings (March 24, 2021).

concerns seriously and did not appear to be meaningfully committed to correcting its fiscal mismanagement issues.

The District also notes that at this time, given the egregiousness and significance of the fiscal concerns plaguing MITA, the District requested that the Solano County Office of Education (“SCOE”) initiate an AB 139 Extraordinary Audit of MITA’s expenditures and internal controls pursuant to Education Code section 1241.5(c).¹⁰⁵ However, SCOE did not conduct the requested audit at that time.

A few months later, GTA requested a one-week extension for the submission of MITA’s unaudited actual reports for the 2020-2021 school year. As noted above, the District rejected the extension request, yet the reports were still not timely submitted. This led the District to issue another Notice of Fiscal Concerns to GTA on September 23, 2021.¹⁰⁶

In its September 23, 2021 Notice of Fiscal Concerns, the District stated that it continued to have significant concerns regarding GTA’s fiscal practices and overall fiscal condition. Specifically, the District expressed the following:

- The changes in GTA’s leadership team did not relieve GTA and MITA of their respective obligations to ensure timely and accurate financial reporting and the implementation of sound internal fiscal controls.
- GTA has an express statutory and contractual obligation to ensure that it timely submits its financial reports, yet it has continually failed to meet such obligations.
- GTA appeared to lack an appropriate leadership transition and failed to timely communicate with the District regarding the status of its fiscal condition and the delay in the preparation of its financial reports. Even after the series of corrective actions and communications protocol established in the District’s Notice of Fiscal Concerns, GTA’s fiscal mismanagement issues clearly remained ongoing and had not been effectively addressed within GTA’s organization.
- The delay in GTA’s submission of its unaudited actuals reports for MITA created questions as to whether GTA has the capacity and ability to meet its financial obligations.

The District advised GTA to take the District’s concerns seriously and to initiate all necessary steps to hire qualified personnel and/or third party contractors to address GTA’s fiscal reporting delays and unsound fiscal practices. The District warned GTA that if its reporting delays, deficiencies, and communication failures continued, the District would consider all available

¹⁰⁵ See Letter to Solano COE requesting AB 139 Audit of GTA (March 19, 2021); see also Cal. Educ. Code section 1241.5(c).

¹⁰⁶ See Letter from District to GTA Regarding Notice of Fiscal Concerns (September 23, 2021).

legal options including, but not limited to, the initiation of revocation proceedings against MITA and the other charter schools operated by GTA.

On October 4, 2021, GTA responded to the District and noted that it would take the matters seriously and had initiated a contract with the Fiscal Crisis and Management Assistance Team (“FCMAT”) to provide an analysis/inventory of current personnel and consultant capacity.¹⁰⁷ The findings of that report are discussed below in Section I.B.5. of this NOV.

As articulated above, GTA and MITA have repeatedly failed to heed the District’s directives and take the necessary corrective actions to address and remedy the deficiencies in its fiscal practices. This has led to a complete breakdown in its ability to timely prepare and submit financial reports, communicate with the District regarding its fiscal condition, and effectively manage its finances. These concerns are substantiated by the findings and recommendations in the respective examinations of GTA that were performed by Eide Bailly and FCMAT, both of which were engaged as neutral, third-party contractors to review the fiscal condition and practices of GTA and its charter schools, and both of whom possess extensive experience and expertise in all aspects of public agency finance. In light of these issues, the District has no confidence that GTA or MITA have the ability to prudently manage public funds or otherwise engage in sound fiscal practices.

3. Abuse of Senate Bill 740 Funding to Offset Charter School Facilities Costs.

Through the use of the Friends of Mare Island Technology Academy Foundation (“Foundation”), GTA and MITA have been able to improperly leverage state funding to offset the costs of facilities and related maintenance that MITA would not have otherwise been qualified to obtain.

Senate Bill (“SB”) 740 established the Charter School Facility Grant Program (“CSFGP”) to provide annual grant funds to reduce ongoing facilities costs for charter schools that serve a high percentage of students who are eligible for free or reduced-price meals, or those that are located in a public elementary school district boundary area with similar student demographics. The legislative intent of the law was to, among other things, provide “immediate assistance to charter schools in our state’s lowest income areas, while ensuring the long-term strength of the charter school movement by correcting some serious abuses.”¹⁰⁸ In other words, the law was intended to “level the playing field” by supporting charter schools serving, or located in, low-income areas by providing state funding to defray facilities rent and lease costs. This, in turn, would help to offset the financial burden of facilities payments that would otherwise be drawn from a charter school’s operating budget.

Under the CSFGP, a charter school that qualifies for funding will receive either an amount up to a specified average daily attendance (“ADA”) cap or up to 75% of its total lease/rental costs,

¹⁰⁷ See Letter from GTA to District – Response to Notice of Fiscal Concerns dated September 23, 2021 (October 4, 2021).

¹⁰⁸ See Senate Floor Analysis, Senate Bill 740 (September 13, 2001).

whichever amount is lower.¹⁰⁹ Here, MITA applied and qualified for SB 740 grant funding for the 2015-2016, 2016-2017, 2017-2018, and 2018-2019 school years¹¹⁰, as shown in the chart below.

| School Year | Grant Award Amount |
|-------------|--------------------|
| 2015-2016 | \$247,585.60 |
| 2016-2017 | \$301,905.00 |
| 2017-2018 | \$94,510.44 |
| 2018-2019 | \$117,349.70 |
| 2019-2020 | --- |
| 2020-2021 | --- |

**The grant award amounts identified above do not include the grant awards issued to MIT Academy, which shares the MITA Campus for its high school charter school program.*

During at least the 2016-2017, 2017-2018, 2018-2019, and 2019-2020 school years, MITA was able to qualify for the above funding amounts, at least in part, as a result of its lease of school facilities.¹¹¹ Six of these facilities, which include four portable classrooms (EV9, EV10, EV11, and EV9), a bathroom, and a student store, are leased by GTA (for use by MITA and MIT Academy) from the Foundation.¹¹² The District sought to obtain additional information regarding these lease arrangements, given that the Foundation serves as the owner and lessor of these facilities. Through an information request issued by the District to GTA and the Foundation jointly, dated November 2, 2021, the District asked for details about the lease arrangement for the six portable buildings.¹¹³ Roger Vaughan, the President of the Foundation, who is also the spouse of GTA Board Member Lynne Vaughan, responded to the District's request for information and documents on November 13 and 15, 2021, respectively.¹¹⁴ Peculiarly, Mr. Vaughan provided written responses to select document and information requests; however, he refused to respond to certain questions and asked the District to provide legal authority requiring such disclosure, taking the position that the Foundation is not subject to the California Public Records Act. Mr. Vaughan confirmed that the Foundation holds title to the portables and noted that the student store was built by volunteers. He also generally indicated that the sources of funds used to purchase the portables came from donations, contributions, or gifts from Foundation members or members of the public, but he did not provide any further details. Notably, Mr. Vaughan would not disclose the original purchase price for the portables.

¹⁰⁹ Cal. Educ. Code § 47614.5(b)(1).

¹¹⁰ See Awardee Lists for the Charter School Facility Grant Program, available at: <https://www.treasurer.ca.gov/csfa/csfgp/awardees.asp>.

¹¹¹ A charter school does not qualify for grant funds under the CSFGP unless it rents or leases facilities. See facilities leases between the Foundation and MITA/GTA.

¹¹² See facilities leases between Foundation and MITA/GTA.

¹¹³ District Letter to GTA and Foundation – Requests for Records/Information Concerning Friend of Mare Island Technology Academy Foundation (November 2, 2021).

¹¹⁴ Responses from R. Vaughan, President of Foundation to District (November 13 and 15, 2021).

He also refused to disclose why the Foundation chose to lease the facilities to GTA, rather than donate the buildings to the charter schools.¹¹⁵ Instead, he responded with the general statement that “[i]t was the decision of the Board of Friends to lease rather than donate these buildings. It is our understanding that GTA had various options and chose to lease these buildings from Friends.”

Unless GTA, MITA, and/or the Foundation have something to hide, it is perplexing why the Foundation has outright refused to share any details regarding the acquisition of the portable buildings or why the Foundation leased, rather than donated, the buildings to MITA and MIT Academy. Given the Foundation’s and GTA’s unwillingness to disclose this information, the District is concerned that the Foundation obtained the facilities for a nominal or low cost and entered into a lease arrangement with GTA (on behalf of MITA) so that MITA could qualify for grant funds under the CSFGP.¹¹⁶ Had the Foundation donated the facilities to MITA (and MIT Academy), MITA would not have been eligible to receive state funding to offset its facilities costs at the MITA Campus under this program. In other words, both the Foundation and GTA appear to have orchestrated an arrangement to “game” the system as a means to leverage grant funds. Specifically, MITA (either directly or through GTA) would pay the Foundation “lease costs” on a monthly basis and then backfill the majority of these costs with the SB 740 funding it would thereafter receive as reimbursement from the state.

Equally concerning is the amount of money that the Foundation charged to GTA (to be paid by MITA and MIT Academy) for the lease of such buildings, and the fact that the lease costs for these portables *increased* over the years—even though portables are considered depreciating assets that have a maximum useful life in which the value *decreases* each year.¹¹⁷ The following provides a snapshot of the lease charges by the Foundation to GTA based on information available to the District:

| Building | Lease Charge Per Month for 8/16 | Lease Charge per Month for 7/17-6/18 | Lease Charge Per Month for 7/18-6/19 | Lease Charge Per Month for 10/19-9/20¹¹⁸ | Lease Charge Per Month for 11/19 | Lease Charge Per Month 10/20-9/21 | Lease Charge Per Month for 11/21 |
|-----------------|--|---|---|--|---|--|---|
|-----------------|--|---|---|--|---|--|---|

¹¹⁵ The Foundation’s Form 990s for tax years 2018, 2019, and 2020 indicate that the Foundation had no mortgages or other notes payable, thus indicating that the Foundation was not debt-financing the buildings.

¹¹⁶ According to a written complaint originally filed with the Solano County Office of Education on February 12, 2022 by a current MITA teacher, the complainant stated that the MITA Campus “consists of dozens of fifty-year-old portables that were previously used for military purposes at Mare Island Naval base in the 1970s. One of our board members, Lynn Vaughn [*sic*], and her husband Roger purchased these for a very cheap amount of money and are charging rent to the charter organization through an organization called ‘Friends of MIT.’”

¹¹⁷ See Procedure 430 of the California School Accounting Manual, which provides a table of Estimated Useful Lives for certain depreciating assets, including portable classrooms (<https://www.cde.ca.gov/fg/ac/sa/documents/csam2019complete.pdf>); see also Foundation’s Form 990s for tax years 2018, 2019, 2020 showing depreciation schedule for the buildings.

¹¹⁸ The lease costs listed are at amounts higher than the appraised fair market value. See Appraisal prepared by Desmond, Marcello & Amster (January 7, 2020).

| | through 6/17 | | | | through 10/20 ¹¹⁹ | | through 10/22 |
|------------------|-----------------|---------|--------|---------|---------------------------------|---------|------------------|
| EV9 | -- | \$480 | \$480 | \$960 | \$1,900 | \$987 | \$1,010 |
| EV10 | -- | \$480 | \$480 | \$960 | \$1,900 | \$987 | \$1,010 |
| EV11 | -- | \$480 | \$480 | \$960 | \$1,900 | \$987 | \$1,010 |
| EV4 | \$300 | \$480 | \$480 | \$960 | \$1,900 | \$987 | \$1,010 |
| Bathroom R | \$950 | \$1,100 | \$1100 | \$1,600 | \$1,500 | \$1,645 | \$1,683 |
| Student Store | \$290 | \$330 | \$330 | \$415 | \$530 | \$427 | \$437 |

As reflected above, the monthly lease costs for the EV portable classroom buildings more than doubled from 2017 to 2021, and the bathroom and student store increased by \$733 and \$147 per month, respectively, during the same timeframe. In addition, without explanation, the lease costs that the Foundation charged from October 2019 to September 2020 were higher than the appraised fair market value of the buildings.¹²⁰ The District further notes that Mr. Vaughan refused to disclose the Foundation’s current cash balance and asked the District for legal authority to support such a request.¹²¹ The District, therefore, seriously questions whether the Foundation is profiting off of this arrangement by not committing such revenues back to the charter schools in furtherance of the charitable purpose set out in its articles of incorporation.¹²² If this is the case, the Foundation could be operating in violation of the Charitable Trust Doctrine and simultaneously jeopardizing its tax exempt status under Internal Revenue Code section 501(c)(3).¹²³

¹¹⁹ See 2019-2020 Friends of MITA Lease.

¹²⁰ See Appraisal prepared by Desmond, Marcello & Amster (January 7, 2020).

¹²¹ See R. Vaughan of Friends of MIT Foundation Response to VCUSD Request for Information (November 15, 2021).

¹²² See Friends of MIT Academy Foundation Articles of Incorporation. Notably, according to the Foundation’s Form 990 2017, Part XVI-B, the Foundation asserted that the “rental activity contributes substantially to the exempt purpose of our organization. All rent collected is from classroom and other student buildings located on the campus of the Mare Island Technology Academy.” This statement is confounding given that the Foundation was created for the purpose of supporting and financially assisting the facilities-related needs of MITA, as well as other major projects. Yet, the Foundation is *charging* MITA for use of buildings for which the Foundation holds title. Therefore, it is perplexing how the Foundation concluded that this arrangement somehow supports the “exempt purpose” of the Foundation. In addition, according to the same Form 990, Part IX-A, the Foundation listed \$0.00 in expenses attributable to Direct Charitable Activities. The District also notes that the Form 990 2019 showed a total of only \$1,395 in contributions paid by the Foundation to a scholarship fund for the year. This calls into question how the Foundation is using the proceeds it receives to benefit and support MITA.

¹²³ As a result of the public benefits provided, charitable corporations are granted special legal status and benefits not available to for-profit enterprises. One such benefit is that charities can qualify for tax-exempt status. The IRS and California Franchise Tax Board administer and provide parameters on what a charitable organization must do to obtain and retain tax-exempt status, including requirements and limitations related to a charitable organization’s

According to the Foundation’s articles of incorporation filed with the California Secretary of State on February 28, 2003, the Foundation was formed with the specific purpose “to raise funds in support of construction and other major projects for the Mare Island Technology Academy and the middle and high schools operated by the Academy, their staff, and their students.” Considering that the sole purpose for the establishment of the Foundation was to raise funds to support construction and other major projects for MITA, it begs the question why the Foundation would acquire a series of portables and then lease the portables to MITA at a significant monthly cost. This arrangement appears to have been a calculated attempt by the Foundation and GTA to leverage grant funding that they would not otherwise be entitled to secure had the facilities been donated to MITA. In effect, the Foundation has profited, and continues to profit, off of the very charter schools that it was formed to support financially; and, MITA is profiting off of state funding that was specifically earmarked for charter schools in low-income areas as a means to help reduce their overall operating expenses through the reimbursement of a majority of their facilities costs. This is a flagrant abuse of the system designed to support the most needy students and charter schools.

The District acknowledges that GTA, MITA, and/or the Foundation may attempt to justify their eligibility and access to funding under the CSFGP on the basis that MITA’s SB 740 applications for funding went through an underwriting process and were vetted by the California State Finance Authority (“CSFA”), which is the state entity charged with administering the program. However, it is unclear the extent to which the CSFA was fully apprised of the arrangement between MITA and the Foundation and the potential conflict of interest of Roger and Lynne Vaughan in their respective roles for the organizations. While the District understands that there was a minimal “check the box” review of related parties and potential conflicts of interest by the CSFA, this does not change the fact that GTA and MITA manipulated and took advantage of the system in an effort to leverage public taxpayer dollars that it did not need. Regardless of whether this was a technical violation of the law, at the very minimum, such conduct is unethical, deceitful, and undermines the public trust.

Significantly, just two months ago, California State Assemblymember Mia Bonta introduced Assembly Bill No. 2484, which is designed to protect against the exact abuses evident here.^{123.5} She authored this bill to impose greater restrictions and conditions for a charter school to qualify for facilities grant funding where the facilities are owned by a *related party*. Specifically, this bill would impose the following restrictions commencing on January 1, 2023:

- require the CSFA to notify the chartering authority and the school district in which the charter school is geographically located of a charter school’s application for funding;
- impose new grant program conditions on charter school facilities owned by related parties;

expenditures. The Attorney General has oversight over such organizations and may initiate an investigation into an organization if there is an allegation of fiscal mismanagement, which can lead to loss of tax-exempt status.

^{123.5} See Assembly Bill No. 2484, introduced February 17, 2022;
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2484.

- prohibit charter school facilities owned by related parties from receiving grant funding for any facilities that exceeds 100% of the cost of the facility;
- for receipt of additional funding, require charter school applicants, upon a charter school facility owned by a related party receiving grant program funds exceeding 50% of the costs of the applicable facility, to certify that a deed restriction by the owner of the facility requiring the facility be used for public, nonsectarian educational purposes has been filed with the applicable county recorder; and
- as applied to charter school facilities owned by related parties that are no longer occupied by the charter school, require owners of facilities that sell or lease the facility for any purpose other than of public, nonsectarian education within 10 years after receiving grant program funds to reimburse the Charter School Facility Grant Program Fund for all grant program funds received since January 1, 2023.

The introduction of this bill directly focuses on the pervasive issue of charter school related parties financially benefitting from lease payments that are funded or backfilled by state grant funds due to minimal vetting of related parties and potential conflict of interests. This is the very type of manipulation and abuse that is occurring with GTA, MITA, and the Foundation.

4. Internal Controls Examination of Outside Forensic Analyst Revealed Systemic Deficiencies in GTA’s Internal Controls That Create Substantial Risks of Fraud and Misappropriation of Funds Within the Organization.

Due to the District’s ongoing concerns with GTA’s fiscal practices and management of MITA and its other three charter schools, including missed statutory financial reporting deadlines for the independent audit report for the 2019-2020 fiscal year and the unaudited actuals reports for the 2020-2021 fiscal year, as well as the lack of meaningful communication from GTA regarding its fiscal practices, the District engaged the services of Eide Bailly, an independent and qualified professional firm that provides forensic accounting services for school districts, to conduct an internal controls examination of GTA and its four charter schools to analyze their accounting processes, internal controls, and financial transactions for fiscal years 2018-2019, 2019-2020, and 2020-2021.¹²⁴ Eide Bailly completed and issued its report to the District on April 8, 2022.¹²⁵

As part of its review, Eide Bailly considered extensive information in GTA’s possession, including its AptaFund accounting system exports, Paycom payroll system exports, bank statements, credit card statements, and accounts payable supporting documentation. Eide Bailly also interviewed several former and current GTA employees. At the outset, Eide Bailly determined that GTA showed a high level of turnover in key financial positions which contributed to a lack of consistency in certain key internal controls over the scope period. Eide

¹²⁴ See Eide Bailly Engagement Letter re Internal Controls Examination Services (October 1, 2021); Letter from District to GTA – Notice of Initiation of Internal Controls Examination (October 18, 2021).

¹²⁵ Eide Bailly Internal Controls Examination (“ICE”) Report (April 8, 2022).

Bailly also identified several internal control weaknesses and deficiencies across multiple domains, which aligned with the GTA's audited financial statements for the same time period.¹²⁶ These deficiencies and concerns are extensively detailed in Workpaper 1 attached to the report.

The following provides an overview of some of the critical concerns and deficiencies addressed in Eide Bailly's report:

- **Analysis of Disbursements to Sampled Vendors Revealed That 50% of Invoices Were Unaccounted For or Missing:** Eide Bailly conducted an analysis of a non-random sample of 41 vendors and individuals, which was determined based on those vendors and individuals who had the largest cumulative disbursements over the scope period, as well as those vendors and individuals whose services could not be readily determined. Eide Bailly specifically requested a series of invoices from GTA that it could not otherwise locate; however, as of the date of the report, none of the requested invoices were provided to Eide Bailly. Based on its analysis, Eide Bailly concluded that of the total disbursements to these vendors and individuals, Eide Bailly was unable to locate, and therefore could not substantiate, 50% of the invoices—representing \$765,053.55 in disbursements.¹²⁷ For the invoices that were located, the amount of supporting documentation was variable in which certain invoices had a lack of detail concerning the service provided, labor hours and rate, service agreements, and receipts.¹²⁸
- **Credit Card Statements During the Scope Period Could Not Be Located and Included Suspicious Purchases:** Eide Bailly's examination of credit card statements and supporting documentation revealed that multiple credit card statements could not be located and GTA failed to produce such documentation. In addition, Eide Bailly identified two questionable vendors, including Disneyland and House of Blues in Anaheim, California. Eide Bailly discovered that the transactions with these vendors occurred in June 2020. Peculiarly, both Disneyland and House of Blues were closed from March 14, 2020 through April 30, 2021 due to the COVID-19 pandemic, and Eide Bailly did not detect any refunds for these purchases. Eide Bailly received information suggesting that tickets were purchased and provided to students at graduation. However, there is no documentation or signatures to confirm that such tickets were actually provided to students.¹²⁹ Eide Bailly further reported that receipts and supporting documentation for credit card statements were missing, and credit card purchases did not appear to be recorded in AptaFund.
- **Eide Bailly Identified the Same Deficiencies Noted in Findings Listed in Audited Financial Statements From Fiscal Years 2019, 2020, and 2021:** Eide Bailly confirmed

¹²⁶ ICE Report, p. 8; *see* independent financial audit reports for fiscal years 2019-2021.

¹²⁷ ICE Report, p. 12.

¹²⁸ ICE Report, p. 13.

¹²⁹ ICE Report, p. 18.

its agreement with the findings set out in the above-noted audited financial statements. Specifically, for Fiscal Years 2019, 2020, and 2021, Eide Bailly verified that, based on its interviews with GTA staff and examination of accounting software, the financial accounting books had not yet been closed for the scope period. Second, consistent with the audited financial statements for Fiscal Years 2020 and 2021, GTA did not perform timely reconciliations on major accounts and did not reconcile the accounts to the general ledger. Eide Bailly observed that credit card transactions were not recorded in AptaFund, bank reconciliations were not reviewed following completion, there were no capital assets recorded in the system, and other account balances did not match the audited financial statements. Further, according to the audited financial statements for Fiscal Years 2020 and 2021, GTA did not comply with Generally Accepted Accounting Principles (“GAAP”). In fact, Eide Bailly observed instances in which capital assets were not recorded in AptaFund, depreciation expense was not tracked in AptaFund, credit card transactions were missing from AptaFund, and the transactions were tracked using a “cash basis” as opposed to “accrual basis” method of accounting.¹³⁰ Finally, the Fiscal Year 2020 and 2021 audited financial statements stated that GTA did not have documented accounting procedures. Eide Bailly reached the same conclusion based on its interviews with GTA employees.¹³¹

- Eide Bailly Identified Significant Potential Fraud Risks During its Examination:**
 Eide Bailly included an extensive list of potential fraud risks based on its interviews of GTA staff and examination of documentation, identifying areas that are vulnerable to fraud, waste, and/or abuse. The following is summary of the identified risks.¹³² Please refer to the comprehensive report for further detail.

| General Concerns | |
|---|--|
| Observation/Area of Concern | Potential Risk |
| Employee handbook does not define employee theft or fraud and its consequences. | Employees may not know what constitutes fraud, which can inherently increase fraud risk. |

¹³⁰ “Basis of accounting” refers to the timing of when transactions and events are recognized in the accounting records and reported in the financial statements. When using a “cash basis,” revenues are recorded when cash is received, and expenditures (or expenses) are recorded when cash is disbursed. When using an “accrual basis,” revenues are recorded when earned, and expenditures (or expenses) are recorded when a liability is incurred, regardless of when the receipt or payment of cash takes place. According to Procedure 101 of the California School Accounting Manual, local educational agencies should never use the cash basis of accounting. LEAs use the accrual basis in proprietary and fiduciary funds and use a modified accrual approach in governmental funds. See <https://www.cde.ca.gov/fg/ac/sa/documents/csam2019complete.pdf>.

¹³¹ ICE Report, p. 20.

¹³² ICE Report, pp. 21-36.

| | |
|---|---|
| Employees are not required to sign a document stating that they have read and understood the employee handbook. | Employees may not know what constitutes fraud, which can inherently increase fraud risk. |
| A confidential hotline is not available for employees to report theft or fraud. | If a hotline is not provided, suspicious activity or known instances of fraud may go unreported, which can result in delayed detection and increased losses. |
| Formal written procedures were not in place for accounting-related positions during the scope period. | Employees may intentionally or unintentionally subvert the internal controls system without written accounting procedures in place. |
| Copies of certain accounting documentation are not retained (e.g., checks, purchase orders, and Personnel Action Forms were missing). | The risk of employees successfully carrying out a fraud scheme increases when records are not retained. |
| The safe's combination has not been changed in many years. | Not changing a safe's combination leaves the safe susceptible to a past employee gaining unauthorized access. |
| There is no explicit policy for employees to not share user names/passwords for the accounting system. | Employees could gain access to the system and view and/or approve information they are not authorized to access. |
| Purchasing | |
| Observation/Area of Concern | Potential Risk |
| New vendors are not verified for legitimacy. | By not verifying vendors before they are entered into the accounting system, fictitious vendors could be set up by an employee. |
| Packing slips or bills of lading are not maintained. | Not retaining the packing slips or bills of lading makes it difficult to determine the age of the goods, verify the exact amount purchased was received, the inventory was not stole, and that fictitious purchasing is not being made. |
| Vendors are sometimes approved instead of requisitions, which allowed for any payment to be approved for specific vendors. | Approving a specific vendor without properly reviewing each purchase could lead to unauthorized spending or overspending. |
| Credit cards are held by employees who do not use them. | The more credit cards that are issued, the larger the risk of unauthorized spending. |
| There does not appear to be a formal purchasing policy in place as it relates to purchases over a certain threshold. | Employees with purchasing authority could make purchases over their recommended purchasing thresholds without approval. |
| Accounts Payable/Cash Disbursements | |
| Observation/Area of Concern | Potential Risk |
| Blank check stock is located in an unsecured location. | Employees could gain access to the check stock to create unauthorized disbursements. |
| The same individual who has access to the credit cards also reviews and reconciles the statements and prints the checks. | Having an employee with access to use the credit cards reconcile the statements and print the checks increases the risk of unauthorized disbursements. |
| One individual has the ability to add new vendors to the system, enter invoices, print the accounts payable checks, sign checks, and mail the checks. | Having the same individual perform these functions increases the risk of unauthorized disbursements. |

| | |
|--|---|
| Accounts payable invoices are not compared to the printed checks by the signer prior to signing. | If common vendors are used to make personal purchases by an employee, the check signer will not be able to distinguish the business-related purchases from potential personal purchases without reviewing the invoice detail to provide support for expenses. |
| The same individual who prints accounts payable checks mails the checks after they are signed. | Having an employee perform both functions increases the risk of employees tampering with checks after they are signed and concealing the activity in the accounting system. |
| There is no regular schedule for printing checks. | Without a regular schedule for printing checks, it is difficult to detect unauthorized processing of blank checks. |
| Bank statements and copies of canceled checks are not reviewed by an individual independent to the accounts payable process. | If the actual statements and canceled checks are not reviewed by an individual separate of the accounts payable/check printing and signing process, employees with access to process a payment could write checks to non-business-related vendors. |
| Accounts Receivable/Cash Receipts | |
| Observation | Potential Risk |
| A point of sale system is not used to record payments. | Not using a point of sale system increases the potential for employee error and does not leave a paper trail as to who recorded transactions if funds go missing. |
| Checks received in the mail are not logged upon receipt. | Checks could be diverted and remain undetected without a comparison of the checks received and the corresponding deposit ticket. |
| Deposits are not made on a daily basis. | If deposits are not made on a regular basis, the risk of monies being misplaced or misappropriated can increase. |
| The same individual that receives customer payments also enters the payments into the accounting system and the cash register. The individual also reconciles the cash and checks to the accounting system and prepares the deposit. | Allowing the same employee to collect customer payments, complete the cash and check reconciliation and prepare the deposit increases the risk of the employee appropriating customer payments and concealing the fraud within the accounting system. |
| The same individual opens the mail, enters payments into the accounting system, and makes the deposit. | Allowing the same individual to complete all of these functions increases the risk of misappropriation. |
| Customer cash/check sales are not compared to bank deposits by an independent individual. | Due to the large amount of cash and check payments that are received, the risk of misappropriation of payments increases. |
| Inventory/Equipment/Assets | |
| Observation | Potential Risk |
| Security cameras are not utilized in high-risk areas such as where the cash, inventory, and equipment are located. | The risk of an employee taking inventory, equipment, and/or cash increases when security cameras are not used. |
| Inventory is accessible to all employees. | Employees could gain access to inventory and steal assets. |
| Inventory is not currently being tracked in the accounting system. | If the inventory is not being properly tracked in the accounting system, the risk of inventory theft being detected decreases. |

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|---|--|
| Fixed asset listings are not compared to fixed assets on a regular basis. | Employees could take assets and not be caught if no one is verifying assets to the listings. |
| There is no policy or procedure on disposing of assets. | If there are no procedures on disposing of capital assets, there will be no way to determine if capital assets have been stolen or properly disposed. |
| Payroll | |
| Observation | Potential Risk |
| Payroll is not reviewed after it is sent for processing. | Allowing one employee to process employee time without additional review increases the opportunity for fraudulent payroll disbursements through unauthorized rate changes and/or fictitious/ghost employees. |
| The same individual had the responsibility of entering new hire information, termination information, changing employee compensation levels, processing payroll, and sending the payroll information to the bank. | Allowing one employee access to numerous payroll functions increases the opportunity for fraudulent payroll disbursements through unauthorized rate changes and/or fictitious/ghost employees. |
| Individuals need to receive approval before working overtime. However, there is no documentation to verify overtime approval was provided. | Lack of supporting documentation could make it difficult to determine whether overtime was properly approved. |
| Payroll adjustments to individual accounts are not being reviewed for accuracy and completeness. | If changes are made to an individual's personnel file, an independent individual should review the changes for accuracy and completeness. |
| When Paycom processes the payroll, a text file is imported into AptaFund via the payroll specialist. This is not being reviewed before and after the posting. | Lack of review on changes made to personnel files can lead to inaccurate information or unauthorized changes. |

As illustrated in Eide Bailly's report and as reflected above, the concerns regarding GTA's fiscal management, practices, and internal controls are not insignificant; rather, they permeate every aspect of GTA's fiscal-related operations and complete expose the organization to fraud, waste, and abuse. The GTA Board should have *never* allowed these problems to develop to this magnitude, especially after it had been placed on notice by its own auditors of the material weaknesses present with respect to its internal controls.¹³³ By turning its back to these problems, the GTA Board was complicit in allowing such deficiencies in internal controls and fiscal practices to persist, while creating opportunities for individuals to misappropriate, abuse, divert, or waste charter school funds for improper or illegal purposes. Such conduct is reprehensible and a board willing to allow this to occur should *never* have any place or role in public education.

The District also finds it unusual that, without any prompting or prior request, Mr. Vaughan, President of the Foundation, sent email correspondence to Eide Bailly with copies of 36 bank

¹³³ See GTA independent financial audit reports for fiscal years 2019-2021.

statements showing payments and deposits for the Foundation.¹³⁴ Subsequently, at the District's direction, Eide Bailly evaluated the information provided by the Foundation. Notably, the bank statements did not account for approximately \$15,900.00 in payments to the Foundation. In addition, because Mr. Vaughan did not provide deposit slip images or other deposited item support documentation, Eide Bailly was unable to identify all sources of deposits into the Foundation's bank accounts. However, based on the information provided by Mr. Vaughan, Eide Bailly ran a comparison of the estimated revenues of GTA compared to the reported revenue in its Form 990s for the 2018-19, 2019-20, and 2020-21 fiscal years. Of particular concern was Eide Bailly's estimated difference between the Foundation's estimated revenue and its reported revenue in its 2019-20 Form 990 of \$370,638.54. This calls into question whether the Foundation is accurately reporting its revenue in the Form 990s. It also raises concerns regarding the appropriate tracking and accounting of the sources and amounts of funds received and expended by the Foundation, and whether such funds are strictly being used to carry out the purposes set forth in the Foundation's articles of incorporation.

5. The Fiscal Crisis & Management Assistance Team Has Found Systemic Deficiencies in GTA's Fiscal Practices That Create Risk of "Significant Negative Consequences."

Similar to the findings in Eide Bailly's internal controls examination, the Fiscal Crisis & Management Assistance Team ("FCMAT") recently identified systemic deficiencies in GTA's fiscal practices and internal controls, which seriously compromise the integrity and proper functioning of the organization, including MITA.

In September 2021, GTA engaged FCMAT, which is comprised of a team of business and finance experts, to (1) perform an organizational structure and business process review of GTA's business services division and make recommendations for improvement, if any, and (2) review operational processes and procedures in GTA's business services division and make recommendations for improved efficiency in the areas of budget development, budget monitoring, position control, accounts payable, accounts receivable, and payroll. Following its review, FCMAT issued a written report, dated April 22, 2022, detailing its findings and recommendations.¹³⁵ In its report, FCMAT included extensive findings that identified deficiencies in all areas under review. The following provides a brief snapshot of findings in each of the review categories. Please refer to FCMAT report for further detail.

- **Organizational Structure and Staffing:** FCMAT found that too many duties were assigned to the Assistant Superintendent/CBO and Director of Fiscal Services, resulting in turnover and excessive workloads. FCMAT recommended establishing a standalone fiscal services department and restructuring several positions to increase departmental coverage for all functions.

¹³⁴ ICE Report, p. 37. *See also* email correspondence from R. Vaughan to B. Waldren (March 2, 2022).

¹³⁵ *See* FCMAT Organizational Structure and Business Process Review Report (April 22, 2022).

- **Policies and Procedural Manuals:** FCMAT found that GTA lacks established processes, internal controls, and institutional knowledge. Neither GTA nor MITA could provide FCMAT with policies and procedural manuals for the areas under review. GTA staff members informed FCMAT that they do not have desk manuals or formal procedures for the tasks that they are assigned to perform.
- **Budget Development and Monitoring:** FCMAT found that GTA does not use a budget calendar for budget tasks throughout the year or position control reports, there was no indication that any budget narratives or detailed assumptions were provided to the GTA Board in connection with the 2021-2022 adopted budget, and budget revisions were not completed regularly throughout the year. Further, salaries and benefits were not encumbered in GTA's AptaFund System, which could result in overspending of budgeted funds or inadvertent redirection of funds that could jeopardize GTA's payroll obligations. FCMAT also found that site staff at MITA and the other GTA charter schools were not trained on effective budget monitoring techniques.
- **Position Control:** FCMAT reported that GTA did not provide any position control procedures or forms that were in use. In addition, GTA utilizes a manual process of compiling and maintaining a position control spreadsheet, which FCMAT found to be problematic because it leaves GTA vulnerable to inaccuracies, especially when the spreadsheet is maintained by only one person/position.
- **Internal Controls:** FCMAT found that GTA "lacks many of the elements needed to create and sustain a strong system of internal controls. The continuing lack of 1) expertise and stability in fiscal services staff and leadership, 2) adequate fiscal policies and procedures, and 3) effective internal controls to detect errors and prevent fraud, places the organization and its charter schools at risk for significant negative consequences up to and including revocation or non-renewal by the authorizing district and/or closure due to financial failure."
- **Accounts Payable:** FCMAT found the job descriptions in the fiscal services department to be insufficient to define essential accounts payable functions. The following essential functions were found missing: 1099 form preparation and processing, Employment Development Department ("EDD") independent contractor reporting, Department of Industrial Relations ("DIR") contract reporting, and payment reviews and approvals according to board-adopted fiscal policies and procedures. FCMAT also found the accounts payable process to be defective, noting that two account technicians were able to process every step of a purchase in the system. This structure could be manipulated and result in fraudulent payments. FCMAT found that GTA could not provide any documented policies or procedures for use of petty cash or credit card use, noting that all management positions and some clerical positions were issued credit cards for purchasing. With respect to year-end closing, FCMAT reported that GTA did not produce separate balance sheet account statements for each of its four charter schools. Rather, it provided combined reports that showed several accounts payable liabilities account balances, indicating that GTA had not fully reconciled its accounts payable balances by the end of the first interim reporting period. FCMAT stated that GTA lacks

policies and procedures to support its year-end closing processes, including a purchase order cutoff date for all purchases charged against the current year budget. FCMAT concluded that GTA's "current lack of sound internal controls, including separation of duties, adequate policies and procedures, staff cross-training, and timely reconciliations relating to accounts payable and purchasing activities, increases the organization's risk for material weaknesses, serious errors and fraud."

- **Accounts Receivable:** FCMAT reviewed the job descriptions for the fiscal services department and found them to be insufficient to define essential duties concerning accounts receivable functions, noting that only the account specialist job description included any accounts receivable duties. With respect to bank account reconciliation, FCMAT expressed that this is an essential internal control to prevent and detect errors and fraud. When FCMAT requested a copy of a bank statement and reconciliation for GTA's accounts, GTA provided a statement for each account, but only turned over a copy of the September 2021 operating account reconciliation. FCMAT found the reconciliation to be incomplete, with an unreconciled balance of nearly \$300,000.00. In addition, there was no information detailing the person responsible for completing the work. Further, FCMAT noted that, due to the lack of supporting documentation and limited knowledge of the fiscal services staff, FCMAT could not determine or assess GTA's accounts receivable practices. FCMAT also identified concerns with GTA's year-end closing practices, noting that it had not fully reconciled its accounts receivable balances by the end of the first interim reporting period for the current year.

Significantly, FCMAT drew attention to GTA's 2018-2019 and 2019-2020 audit reports, which included several findings concerning material weaknesses in internal controls. FCMAT referenced the 2019-2020 audit report's finding that GTA did not prepare period ending reconciliations on its major general ledger accounts and lacked adequate accounting policies and procedures to ensure that its financial records and statements were prepared and maintained in accordance with GAAP. FCMAT stated that its review "did not identify substantial evidence to suggest [GTA] had implemented any corrective actions to mitigate the audit findings. . . . [GTA] has continued to experience significant turnover in key personnel, having filled all management positions as recently as the current year. In addition, [GTA] did not complete its 2020-21 unaudited actual financial statements by the September 15 statutory deadline." FCMAT concluded that the "continuing lack of expertise and stability in fiscal services and leadership, adequate fiscal policies and procedures, and effective internal controls to detect errors and prevent fraud, places the organization and its charter schools at risk for significant negative consequences up to and including revocation or non-renewal by the authorizing district and/or closure due to financial failure."

- **Payroll:** FCMAT reviewed the job descriptions for the business services department and found that only one position—the HR coordinator—has documented payroll-related responsibilities. At the time FCMAT conducted its review, this position had been recently vacated and a replacement had just assumed the new position. FCMAT learned that an account specialist, whose duties did not include any essential functions related to payroll, had taken on payroll responsibilities. However, this individual had no expertise

or significant payroll experience, and received minimal training. FCMAT explained in the report that adequate separation of duties, staff cross-training, and oversight of essential functions are critical for purposes of creating strong internal control systems. FCMAT also reported that it received no information concerning any compensating internal controls in payroll processing, concluding that the “severe lack of payroll expertise and internal controls places [GTA] at high risk of payroll errors, late payments, inaccurate accounting, and potential fraud resulting from a lack of checks and balances, separation of duties, and staff cross-training.”

The above-noted findings, as well as the additional findings detailed in FCMAT’s report, reflect the level of sheer disorganization, dysfunction, and mismanagement of GTA and MITA from an organizational and fiscal perspective. The FCMAT report illuminates the material deficiencies and flaws in the organization, which permeate every component of GTA’s business and fiscal practices, processes, and procedures. The extent of such fiscal mismanagement is astounding and completely unacceptable for a charter school organization that has been in operation for nearly 23 years. There is no excuse for the GTA Board’s neglect and repeated failure to take appropriate corrective actions, including the hiring of qualified staff, to remediate the problems cited above. Given the number of findings identified by FCMAT and the extensive recommendations for changes to the organization that are critical for stability, fiscal solvency, and the prevention of fraud and abuse, the District has no confidence that GTA, as the operator of MITA, has the ability to rectify the systemic fiscal irregularities and deficiencies that plague the organization as a whole. Rather, FCMAT’s findings further reinforce and solidify the District’s position that GTA, particularly its Board, is unwilling to take responsibility for its malfeasance and is incapable of implementing fiscally-sound practices or prudently managing the public taxpayer dollars to which it is entrusted.

C. Violation of Provisions of the Law.

1. Failure of GTA Board Members to Uphold Fiduciary Duties to the Organization as Required by California Corporations Code Section 5231.

As a nonprofit public benefit corporation operating MITA, GTA is required to uphold the requirements applicable to such corporations under the Corporations Code. Section 5231 of the Corporations Code prescribes specific and distinct duties that each director/board member must fulfill in serving this role on a nonprofit corporation’s board. Specifically, subsection (a) states:

A director shall perform the duties of a director, including the duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner that director believes to be in the best interests of the corporation and with such care, including reasonably inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

All decisions that are within the scope and authority of the GTA Board must be made collectively. Further, as detailed in Corporations Code section 5231 above, every member of the GTA Board owes a duty of care, a duty of inquiry, and a duty of loyalty to the organization it

serves. However, members of the GTA Board have evaded their respective fiduciary duties that are quintessential to the proper functioning of GTA, MITA, and the charter school organization as a whole.

With respect to the duty of care, each member of the GTA Board is required to perform the duties of a director in good faith. This is especially critical with respect to nonprofit corporations operating public charter schools, such as MITA. The members of the GTA Board are appointed from within—not elected by the general public—and are entrusted with the responsibility of prudently managing public taxpayer dollars, vetting and hiring qualified and experienced administration and staff, setting policy for the charter school, and, importantly, demonstrating accountability and transparency for its constituents. The GTA Board has failed its staff, students, and families in every way and has repeatedly evaded its duty of care to both GTA and MITA in violation of Section 5231(a). Specifically, the GTA Board has:

- ingrained sentiments of fear, intimidation, frustration, and insecurity in the GTA community, particularly among staff;¹³⁶
- failed to heed multiple complaints about the presence of mold in the MITA facilities for the past six to seven years, according to an MITA teacher who has been employed with the charter school for nine years—yet the Board only took action to address mold concerns after the District raised the issue in August 2021¹³⁷;
- failed to properly hire sufficient experienced staff to manage MITA’s revenues and expenditures, implement proper internal controls related to its fiscal practices, timely comply with statutory financial reporting deadlines, and prudently manage the finances of the organization as a whole;
- hired multiple consultants to perform functions appropriately assigned to senior-level administration, including the positions of Superintendent and Assistant Superintendent/CBO, resulting in duplication of roles, confusion regarding authority, and excessive associated costs;
- modified the job duties of both the Superintendent and Assistant Superintendent unnecessarily (e.g., by removing all business and fiscal-related responsibilities of the

¹³⁶ See, e.g., public comment by C. Shannon, MITA teacher and President of Griffin Education Association, to District Board of Trustees during February 16, 2022 Board meeting, memorialized in email correspondence from C. Shannon to Board members and W. Spalding (February 16, 2022); petition calling for resignation of GTA Board members, available at <https://actionnetwork.org/petitions/support-mit-and-griffin-academy-students-and-schools>. As of April 19, 2022, 693 petition signatures were collected.

¹³⁷ See, e.g., public comment by C. Shannon, MITA teacher and President of Griffin Education Association, to District Board of Trustees during February 16, 2022 Board meeting, memorialized in email correspondence from C. Shannon to Board members and W. Spalding (February 16, 2022).

Assistant Superintendent/CBO, thus obviating the need for maintaining the position);¹³⁸ and

- created instability and tumult within GTA and MITA, which has resulted in the inability to retain qualified administrators to lead the charter school.

Second, members of the GTA Board have a duty of inquiry, requiring them to make reasonable inquiries when they are placed on notice of suspicious or concerning circumstances.¹³⁹ In addition, if a director has reason to doubt or call into question the information that the director has been provided, it is the director's fiduciary duty to inquire further into such matters.

As detailed above, and throughout this NOV, both the District and GTA staff have, on several occasions, notified the GTA Board of concerns with MITA's dilapidated facilities, instructional programming, compliance with the Brown Act, compliance with independent study requirements, potential conflicts of interest between Ms. Vaughan and the Friends of Mare Island Technology Academy, and a myriad of other issues. However, the GTA Board has either turned its back on the problems brought to its attention or tried to temporarily bandage the issue unsuccessfully. Thus, it can hardly be said that an ordinarily prudent person in a similar position would find such behavior to be acceptable under similar circumstances.

Finally, members of the GTA Board have an absolute duty of loyalty to the organization to act in its best interests. This duty of loyalty extends to all aspects of GTA's and MITA's operations, including educational programming and student learning. As addressed in Section I.A.4. of this NOV, the GTA Board has repeatedly failed to ensure the delivery of a sound and legally-compliant in-person learning experience for MITA students after the closure of the MITA Campus on November 10, 2021. The GTA Board intentionally delayed placing students in the District's temporary housing at the Corcoran Site so that it could minimize facilities costs, violated independent study requirements in the administration of the program, implicated its ability to secure state apportionment funding for students, and neglected the rights and educational needs of English Learners and students with disabilities.

An ordinarily prudent person in a similar position would *never* allow these systemic problems to continue in this manner, or otherwise further perpetuate the instability and abuse that has led to a complete erosion of trust among students, staff, and other members of the MITA community.

2. Violation of Applicable California Building Code Requirements.

Under Education Code section 47610, MITA is required to comply with the requirements of the California Building Standards Code of Title 24 of the California Code of Regulations, as adopted and enforced by the local building enforcement agency with jurisdiction over the areas in which the charter school is located. However, MITA has failed to operate its facilities in accordance

¹³⁸ See modified GTA Job Description: Assistant Superintendent/Chief Business Officer (March 8, 2022); First Amendment to Fixed Term Employment Agreement between Griffin Technology Academies & Robert A. Martinez, Ed.D. (March 4, 2022).

¹³⁹ Cal. Corp. Code § 5231(a).

with applicable law to ensure the health and safety of its students and staff. Specifically, as detailed in Section I.A.1. (Material Violation of the Conditions, Standards, or Procedures in Charter: Extensive Health and Safety Hazards in MITA Facilities), MITA engaged in numerous facilities violations, including those identified in the Fire & Life Safety Inspection Reports and Notice of Violation issued by the Vallejo Fire Department. These reports and notices identify extensive code violations, several of which had not been rectified as of October 20, 2021.

3. Violation of the Brown Act (Government Code §§ 54950 *et seq.*)

The violations described in Section I.A.2. (Material Violation of the Conditions, Standards, or Procedures in Charter: Repeated Failure to Comply with the Requirements of the Ralph M. Brown Act (Government Code sections 54950 *et seq.*) above are hereby incorporated herein by this reference.

4. Violation of Independent Study Requirements (Education Code §§ 51745 *et seq.*)

The violations described in Section I.A.4. (Material Violation of the Conditions, Standards, or Procedures in Charter: Failure to Provide Educationally Sound and Legally-Compliant Independent Study Instruction to Students Following MITA Campus Closure) above are hereby incorporated herein by this reference.

5. Failure to Appropriately Respond to All Reasonable Inquiries of the District in Violation of Education Code Section 47604.3.

Education Code section 47604.3 requires that a charter school promptly respond to all reasonable inquiries, including those related to its financial records, from the chartering authority. On November 2, 2021, the District issued a Request for Records/Information Concerning Mare Island Technology Academy Foundation to both GTA and the Foundation. The District expected both GTA, as the operator of MITA, and the Foundation to jointly respond and provide supporting records and/or information for each of the requests included therein. However, GTA only responded to select requests, and the Foundation asserted that it was under no legal obligation to provide certain requested records. While the Foundation may be able to assert that it is not subject to the District's oversight authority and, therefore, does not have to respond to the District's questions or information requests, the District finds such position to be indicative of the Foundation's and/or GTA's desire to maintain a veil of secrecy over the transactions between the parties. Given that the Foundation was specifically formed for the purposes of supporting the facilities-related needs of MITA students and staff, there is no reasonable or rational basis for the Foundation or GTA to challenge or refuse to turn over the requested information and records, unless it has something to hide.

Moreover, while the District anticipates that GTA could attempt to assert that it was not in possession of certain requested records of the Foundation, it was still entirely capable of communicating with and retrieving such records from the Foundation, especially considering that GTA Board Member Lynne Vaughan is the spouse of the Foundation's President. Each and every request for information and/or records by the District was reasonable and related directly

to the Foundation's revenues, expenditures, and leasing of portable facilities to MITA, all of which are supposed to benefit and support MITA programs. However, to date, neither MITA nor the Foundation have provided the District with the following information and/or records:

- the original purchase price of the portables leased to GTA for use by MITA;¹⁴⁰
- specific details concerning the source of funding used to purchase the portables (other than a general statement that donations, contributions, or gifts from Foundation board members or other members of the public were provided);
- specific details or supporting information/backup documentation regarding the source of funds listed in the Foundation's completed Form 990s for the 2018, 2019, and 2020 fiscal years;
- the current cash balance of the Foundation;
- a comprehensive list of payees for the Foundation from 2015 to the present; or
- the specific reason supporting the decision for the Foundation to lease, rather than donate, the portables to GTA/MITA.

There is no justifiable reason as to why both GTA and the Foundation have refused or neglected to provide the above-requested information and records. These issues are directly relevant to the District's oversight responsibility of monitoring the fiscal condition of the charter school pursuant to Education Code section 47604.32 and could illuminate potential financial conflicts of interest. The failure to provide comprehensive responses and supporting documentation is a violation of MITA's legal obligation to respond to reasonable inquiries of the District under Education Code section 47604.3.

This is not the only instance in which GTA and MITA have failed to timely and appropriately respond to the District's inquiries which relate directly to its charter oversight of MITA. Specifically, on March 10, 2022, the District issued a Request for Information Concerning Governance and Personnel Items to GTA due to its concerns with GTA's governance practices, leadership changes, and recent Brown Act violations.¹⁴¹ The District requested a series of documents, including copies of all contracts and agreements entered into between GTA and any third party consultants or independent contractors from January 1, 2022 to present. The District also asked for copies of all written communications concerning all aspects of the four charter schools under GTA's operation, as well as the Foundation, between or among Lynne Vaughan,

¹⁴⁰ According to a written complaint originally filed with the Solano County Office of Education on February 12, 2022 by a current MITA teacher, the complainant stated that the MITA Campus "consists of dozens of fifty-year-old portables that were previously used for military purposes at Mare Island Naval base in the 1970s. One of our board members, Lynn Vaughn [*sic*], and her husband Roger purchased these for a very cheap amount of money and are charging rent to the charter organization through an organization called 'Friends of MIT.'"

¹⁴¹ District Request for Information Concerning Governance and Personnel Items dated March 10, 2022.

Debbie Lamb, Vivian Wesley, and/or Karimah Karah. The District directed GTA to provide the requested records and information no later than March 17, 2022.

On March 16, 2022, Mr. Nick Driver, the Acting Superintendent for GTA, sent the District copies of some of the requested records and information. However, Mr. Driver objected to the District's request for written communications between or among the GTA Board members on the basis that it "exceeds any definition of reasonable" and asked for the District to "clarify" its request for such information so that GTA could "consider how to respond to the revised request for information."¹⁴² It is notable that Mr. Driver waited until the day before the District's specified deadline to seek clarification regarding this request. On the same date, the District provided a date parameter for the requested information of January 1, 2022 to present. Mr. Driver followed up and stated that GTA would "begin transmitting document to [the District] by April 1." Mr. Driver sent an initial set of written communications on April 1, 2022, noting that he anticipated sending a second batch of records on or around April 14, 2022.¹⁴³ On April 15, 2022, Mr. Driver sent a final batch of records.¹⁴⁴

First, GTA failed to provide the requested information by the deadline established by the District, instead deciding that it would choose its own timeline for compliance. Consequently, it took nearly five weeks for GTA to produce the additional documents requested by the District. This is unacceptable. Second, the responses were incomplete. GTA failed to produce the consultant contract of Dr. Ting Sun, who the GTA Board purportedly hired as a consultant in closed session at its February 17, 2022 special meeting.¹⁴⁵ In addition, the GTA Board member communications transmitted by Mr. Driver on April 1 and 15, 2022, did not include the identified attachments with the enclosed emails, and there were missing pages of earlier conversations in the email threads. Further, no text messages, memoranda, or other written communications, other than emails, were produced.

Based on the scope and content of the emails produced by GTA, the District suspects that GTA failed to disclose additional responsive correspondence between or among the GTA Board members during this time period. For example, other than discussions surrounding the former GTA Superintendent's Friday update to the GTA Board and a few other details, there was hardly any correspondence on different topics related to the charter schools. Thus, the District finds it extremely difficult to believe that the correspondence provided by GTA is comprehensive, especially considering the extensive communications between the District and GTA during this timeframe regarding the District's concerns with the instructional program, temporary housing of

¹⁴² See GTA's Email Response to Request for Information Concerning Governance and Personnel Items, dated March 16, 2022.

¹⁴³ See GTA's Email Response to Request for Information Concerning Governance and Personnel Items, dated, April 1, 2022.

¹⁴⁴ See GTA's Email Response to Request for Information Concerning Governance and Personnel Items, dated April 15, 2022.

¹⁴⁵ See Section I.A.2. above.

students, facilities issues, and the Foundation. This represents, yet again, another instance in which GTA has failed to demonstrate transparency in its governance and operations.

The District also recently learned in email correspondence from Dr. Martinez, former GTA Superintendent, that he was aware that the District had issued a request for information regarding the communications of GTA Board members and newly-hired consultants.¹⁴⁶ Dr. Martinez informed the District that he “heard that [GTA] did not allow the current Technology Coordinator, Mac Alvarez, to gather those emails, but had another consultant group gather a limited number of emails instead.” Dr. Martinez also shared that Ms. Vaughan frequently used her private email address “to conduct her business as a Board Member, and main spokesperson, and decision maker behind the ‘Friends of MIT’ group. Of course, this is her way to attempt to keep her conflict of interest quiet.” Dr. Martinez then expressed his doubt that GTA produced emails from that account to “demonstrate her involvement in all facets of the organization.” This email communication from Dr. Martinez is disturbing and appears to corroborate the District’s concerns regarding the incompleteness of GTA’s response to the District’s request for GTA Board member communications as a potential means to cover up information shared by or among such individuals that would be damaging to the organization.

Based on the foregoing, the District finds it wholly unacceptable that GTA and MITA have repeatedly failed to reasonably respond to the District’s inquiries which relate directly to its oversight of the charter school. This is a violation of Education Code section 47604.3 and serves to further validate the District’s concerns regarding the wholesale lack of transparency and accountability in the governance and operations of MITA.

6. Potential Conflict of Interest / Violation of Government Code Section 1090 and Political Reform Act (Government Code §§ 81000 *et seq.*).

Both MITA and GTA, as an “entity managing a charter school,” are required to comply with public transparency laws including Government Code sections 1090 *et seq.* and the Political Reform Act (Government Code sections 81000 *et seq.*).

Government Code section 1090 strictly prohibits officers, employees, and other members of the local agency from being financially interested in any contract made by them in their official capacity. Similarly, the Political Reform Act forbids public officials from using their official position to influence decisions in which they have a personal financial interest.

Beyond Government Code section 1090 and the Political Reform Act, which focus on actual or potential financial conflicts, public officials are also subject to the common law conflict of interest doctrine which prohibits them from placing themselves in a position where their private,

¹⁴⁶ See email correspondence from R. Martinez to M. Romao (April 11, 2022).

personal interest may conflict with their official duties.¹⁴⁷ Actual injury is not the principle the law proceeds on. Fidelity to the public interest is the purpose of conflict of interest laws.¹⁴⁸

Lynne Vaughan, a longstanding member of the GTA Board, and Roger Vaughan, President of the Foundation, are a married couple who hold significant governance positions in GTA and the Foundation, respectively. According to the Form 990s that are publicly available for tax years 2018, 2019, and 2020, both individuals have been distinctly invested in the Foundation's affairs when considering their contributions each year. Mr. and Ms. Vaughan were identified as "substantial contributors" to the Foundation, as detailed in the following chart¹⁴⁹:

| | Form 990 (2018) | Form 990 (2019) | Form 990 (2020) |
|------------------------------|------------------------|------------------------|------------------------|
| Beverly Lynne Vaughan | \$38,500.00 | \$7,875.00 | \$70,875.00 |
| Roger Vaughan | \$38,500.00 | \$7,875.00 | \$70,875.00 |

While, objectively, the financial contributions from the Vaughans appear generous and substantial, the veil of secrecy that enshrouds the Foundation's operations and finances causes the District to seriously question the propriety and purpose of the above-noted contributions. These concerns are substantiated by the following:

- the Foundation's refusal to respond to, or turn over, information to the District concerning details regarding the Foundation's cash balances, purchase price of the portables acquired by the Foundation, and the reasons supporting the Foundation's decision to lease, rather than donate, the portables to MITA;
- the limited vetting of MITA's SB 740 grant fund applications for related party conflicts of interest;
- what appears to be minimal expenditures by the Foundation to improve dilapidated, unsanitary, and structurally unsafe MITA facilities despite receipt of significant contributions to the Foundation to support MITA facilities repairs; and
- the dominant and extensive roles that the Vaughans have served in the governance and operations of GTA/MITA and the Foundation, respectively, since their inception.

Given these inconsistencies and the overall evasiveness of the Vaughans concerning the financial relationship between the organizations, the District has grave concerns that the Vaughans are

¹⁴⁷ See 92 Ops.Cal.Atty.Gen 19, 23 (2009); citing *Clarke v. City of Hermosa Beach*, 48 Cal.App.4th 1152, 1171 (1996); 64 Ops.Cal.Atty.Gen. 795, 797 (1981); *Kunec v. Brea Redevelopment Agency*, 55 Cal.App.4th 511, 519 (1997).

¹⁴⁸ See *Noble v. City of Palo Alto*, 89 Cal.App. 47, 51 (1928); *Clarke v. City of Hermosa Beach*, 48 Cal.App.4th 1152, 1170-1171 (1996).

¹⁴⁹ See Form 990s for 2018, 2019, 2020 for Foundation.

financially interested in the transactions of the two entities. However, even if GTA could demonstrate that there has not been a “technical” violation of Government Code sections 1090 *et seq.* or the Political Reform Act by the Vaughans, the degree of secrecy between the two organizations that they created and for which they appear to be financially interested is contrary to the spirit and intent of the public transparency laws applicable to public agencies and implicates common law conflict of interest concerns. Specifically, the Vaughans’ dual ability to influence the governance and transactions of GTA, MITA, and the Foundation behind the scenes creates a vulnerability within the organizations that, at a minimum, is ripe for abuse and leads to opportunities for them to financially benefit from those structures.

Thus, even though the Vaughans may claim that they have no financial interest in GTA, MITA, or the Foundation in violation of Government Code sections 1090 *et seq.* or the Political Reform Act, the District nevertheless seriously questions their level of self-interest and personal financial involvement in the organizations given the issues identified above as violative of compelling common law conflict of interest principles.

II. Reasonable Period of Time to Remedy/Refute the Violations

The District has given GTA and MITA multiple opportunities to address deficiencies and foster change in the areas of its operations, governance, fiscal practices, facilities, and instructional program, all of which have been to no avail. Yet, GTA and MITA have failed to address the District’s concerns in a meaningful and substantive way. Instead, through the hiring of consultants and continual replacement of leadership positions, GTA and MITA have attempted to downplay their repeated violations of the law and their charter, deflect blame, and not take responsibility for their actions and omissions. The District cannot continue to watch GTA and MITA drive the charter school program into the ground at the expense of MITA students, staff, and families.

Please be advised that the violations identified above need to be remedied or refuted by MITA on or before **June 6, 2022**. Please provide a detailed, written response addressing each of the identified violations. MITA may also enclose supporting evidence detailing any remedial actions it has taken to address the violations and/or to refute the violations. Please submit MITA’s response to the following:

William Spalding.
Superintendent
Vallejo City Unified School District
665 Walnut Ave
Vallejo, CA 94592

The District has determined that this is a reasonable timeframe to address and remedy the above-referenced violations. If GTA and/or MITA have the intention to make necessary changes and truly institute change throughout the organization, the District expects GTA and MITA to take this NOV seriously and provide detailed and sufficient evidence of correction for each of the violations.

After the conclusion of this reasonable opportunity to remedy or refute the violations, the District's Board of Trustees will evaluate MITA's response to the NOV and supporting evidence, if submitted, and take one of the following actions:

1. If the District's Board has substantial evidence that MITA has failed to remedy or refute to the District's satisfaction a violation identified in the NOV, it may continue the revocation process by issuing a Notice of Intent to Revoke MITA's charter; or
2. Discontinue the revocation process and provide timely written notice of such action to the GTA Board.

The District appreciates MITA's immediate attention to this matter.

Sincerely,

William Spalding
Superintendent

cc: Board of Trustees of the Vallejo City Unified School District
Mitchell Romao, Assistant Superintendent, Operations
Rosa Loza, Chief Business Officer

Enclosures

