



Genesee Community Charter School
at the Rochester Museum & Science Center

657 East Avenue · Rochester, NY 14607 · (585) 697-1960 · www.GCCSchool.org

April 12, 2023

Susan Gibbons
Charter School Liaison, Charter School Office
New York State Education Department
EB 5N Mezzanine
89 Washington Avenue
Albany, NY 12234

Dear Ms. Gibbons:

On behalf of the Genesee Community Charter School, we would like to provide our response to the Renewal Site Visit Report provided April 4, 2023 based on the Renewal Site Visit from November 29-30, 2022.

We believe this report mostly accurately reflects our school's performance at the time of this Renewal Site Visit. Additionally, we appreciate the report's acknowledgement that all areas in which the Charter School Office advised corrections during this charter term were addressed by the school and corrected. However, there is one point under Legal Compliance with which we respectfully disagree:

Benchmark 10: Legal Compliance

GCCS respectfully disagrees with the Charter School Office's assertion that the loan made by GCCS to the new GCCS-Flour City Campus school was out of compliance, in violation of some provision of the law, and/or violates the terms of the charter agreement. We sought legal guidance at the time of the loan, and again in preparing this response to the Renewal Report. Specifically, our counsel has advised the following:

The loan from Genesee Community Charter School to Flour City does not violate their charter because the board of trustees was authorized to make this loan by operation of Sections 2856.1(f) and 2856.3 of the Education Law, and because they acted in the best interest of the school. Section 2856.1(f) of the Education Law provides that "The board of trustees of the charter school shall have final authority for policy and operational decisions of the school. Nothing herein shall prohibit the board of trustees of a charter school from delegating decision-making authority to officers and employees of the school in accordance with the provisions of the charter." Further, Section 2856.3 provides: "Nothing in this article shall be construed to prohibit any person or organization from providing funding or other assistance to the establishment or operation of a charter school." Lastly, Section 716 of the New York Not-for-Profit Law states that "no loans...shall be made by a corporation to its directors, officers or key persons, or to any other corporation, firm association..." However, section 216-a(8) of the Education Law provides in relevant part that an educational corporation *is authorized* to make loans if such loan is in the best interest of the education corporation and to a not-for-profit corporation which is controlled by such education corporation.

Section 2856.1(f) grants the operational authority to the Board of Trustees of Genesee Community Charter School to act in accordance with the school's charter, which provides that the trustees have the express authority to act within the constraints of applicable law (*i.e.*, the Not-for-Profit Law). Being that educational corporations are exempt from Section 716 of the Not-for-Profit Law that prohibits making loans and that Section 2856.3 expressly allows funding and financial assistance for the establishment of charter schools, the Genesee Community Charter School trustees acted within their authority when authorizing the \$750,000 loan to Flour City as trustee members and because it was in the best interest of Genesee Community Charter School to authorize such a loan to promote the establishment of a charter school.

Further, Genesee Community Charter School is not in violation of Sections 800-806 of the General Municipal Law as an educational corporation/charter school does not fall within the definition of "interest" as applicable to the provisions in Article 18 (Conflicts of Interest of Municipal Officers and Employees).

We appreciate your consideration in our response as it pertains to our Charter Renewal Site Visit Report.

Respectfully submitted,

A handwritten signature in black ink that reads "Shannon Hillman". The signature is written in a cursive style with a large, stylized initial "S".

Shannon Hillman, School Leader

A handwritten signature in blue ink that reads "Michele Hannagan". The signature is written in a cursive style with a large, stylized initial "M".

Michele Hannagan, GCCS Board of Trustees President