



**Department of Education
Charter School Accountability Committee Meeting**

**April 30, 2014
Formal Review Process
Initial Meeting - Minutes**

ACADEMIA ANTONIA ALONSO CHARTER SCHOOL

The meeting was called to order at 1:12 p.m. For the purpose of the record, introductions were made:

Voting Members of the Committee

- David Blowman, Chairperson of the Charter School Accountability Committee and Deputy Secretary, DDOE
- Karen Field Rogers, Associate Secretary, Financial Reform and Resource Management, DDOE
- Tasha Cannon, Deputy Officer Talent Recruitment, Selection and Strategy, Teacher and Leader Effectiveness Unit (TLEU), DDOE
- Michelle Whalen, Education Associate, Exceptional Children Resources, DDOE

Ex-officio Members (Non-voting)

- Donna R. Johnson, Executive Director, State Board of Education
- Kendall Massett, Executive Director, Delaware Charter Schools Network

Staff to Committee

- Catherine Hickey, Deputy Attorney General, DOJ
- Jennifer Nagourney, Executive Director, Charter School Office, DDOE
- Jennifer Carlson, Education Associate, Charter School Office, DDOE
- Brook Hughes, Education Associate, Financial Reform Resources, DDOE
- Sheila Kay-Lawrence, Administrative Assistant, Charter School Office, DDOE

Representatives from Academia Antonia Alonso Charter School

- Gary W. Ferguson, Board Chair
- Maria Alonso, Vice President
- Nora Gonzalez Castellanos, Board Treasurer
- Maria Matos, Board Member
- Melissa Browne, Board Member
- William J. Hutchinson, Board Member
- Jesús Urdiales, School Leader

Representatives from Innovative Schools

- Matt Swanson, Executive Board Chairman
- Deborah L. Doordan, Executive Director
- Caitlin Dennis
- Teresa Gerchman

Additional Attendees

- Elizabeth Lewis, Office of Management and Budget
- Riccardo Stoeckicht, President, Community Education Building

Meeting Purpose

On April 17, 2014, AAA was placed on Formal Review by the Secretary of Education with the assent of the State Board of Education due to the missed enrollment target to determine whether the school is violating the terms of its charter. On April 30, 2014, the Charter School Accountability Committee (CSAC) met with representatives of AAA for the Initial Meeting to review the relevant statutory criteria and make an initial recommendation as to whether the school was violating the terms of its charter. The Committee focused on the application that was the basis of the charter's approval and the statutory criteria of 14 Del. C. § 506(c)(1) and §§512 (1) and (7) through (9).

Discussion

April 1st Enrollment Requirement

The Committee discussed the enrollment status of AAA as of April 1st, highlighting the issues below:

- 14 Del. C. §506(c)(1) of the Charter School Law requires that, “on or before April 1 of each school year, a charter school shall have enrolled, at a minimum, 80% of its total authorized number of students.”
- AAA’s approved charter application contained a statement of assurances, which included a provision assuring that the school would have 80% of its students enrolled by April 1 each year.
- AAA was approved to open with grades K-1 with an enrollment of 300 students for the 2014-15 school year.
- On April 1st, AAA posted an enrollment of only 85 students, or 28.3% of its total authorized enrollment.

The Board President of AAA, Gary Ferguson, responded to the low enrollment figure by explaining that they began actively recruiting students upon securing the location at the Community Education Building (CEB) and employed additional staff in February with expertise to improve recruitment. Mr. Ferguson stated that AAA will not meet the 80% goal of 240 students by May 1, 2014 but they should have 200 students by that date. David Blowman clarified that the May 1st deadline is used to determine funding but the April 1st deadline is a legal requirement. According to AAA’s School Leader, Jesús Urdiales, the current enrollment is 69 kindergarteners and 125 first graders, totaling 181 students. This count includes four children that will not meet the August 31st age cutoff, but AAA stated that they have conducted assessments for those students and have concluded that they meet the gifted and talented criteria.

Donna Johnson expressed concern about the recent enrollment increase and asked why the school did not make greater efforts to recruit students prior to the April 1st count. Ms. Johnson also expressed concern that it took Formal Review action to prompt the school to make that greater recruitment effort. AAA explained their recent improved enrollment figures are a direct result of their improved process of following up with families and engaging the community to better inform the parents about the mission of the school. According to AAA, it was difficult to recruit students for many reasons, including not having a building or a program in operation to show to parents. The Board members said they also encountered misunderstandings about the name of the school, which they believe caused some families to assume that the school was only open to Spanish-speaking students.

Ms. Johnson also expressed concern that AAA had an extra planning year and will occupy the same

building as another school that did not have the same enrollment issue and yet AAA still missed the target. AAA pointed out that the other charter school planning to occupy the CEB, Kuumba Academy, is an established school, not a new one. Ms. Field Rogers stated that while charter school applications are approved on the basis of plans, April 1st is the first test of whether the charter can execute on those plans – a test that AAA failed. She further stated that administrative details are complex and can prevent a school from implementing the education program effectively. Mr. Ferguson explained that they did not realize that most students enroll late in the process.

The Committee concluded that the April 1st enrollment requirement is not met.

Economic Viability

The Committee asked the Board members to explain how they were economically viable, as required by 14 Del. C. §512(8), given the low enrollment. Mr. Ferguson explained that the landlord of the CEB location agreed to defer a portion of the rent for a year and the repayment was built into the budget for the next year. The Board also explained that staffing was reducing from 12 teachers to eight and from three special education teachers down to two. The Board stated that the administrative budget was reduced and it would be tight with 180 students but the budget would be sufficient with an enrollment of 200 students. Ms. Field Rogers stated that she had not received the complete revenue and expense forms. Only page one of two of the financial forms were submitted to DDOE by the deadline of April 27, 2014. Mr. Urdiales stated that the forms had been mistakenly left out of the submission when spreadsheets were converted to PDF format. Kendall Massett stated that the error was technical and consideration should be given to the school. Jennifer Nagourney reminded AAA that the deadline had been communicated well in advance, and that the notification had clearly stated that no materials would be accepted after that date. She distinguished a completion error, such as mistaken omission of materials, from a technical error, such as a file that could not be opened; a completion error is one that could have and should have been detected prior to submission.

Ms. Nagourney further noted that the submitted materials did not adhere to the direction that the financial documents be based upon student data from April 23rd, as the materials submitted were based upon enrollment data from April 27. Mr. Ferguson stated that he made the decision to use student data from April 27th instead of April 23rd, as instructed, which caused the delay in preparation and the error. Ms. Nagourney stated that it is important to remember that the directions were established to serve the needs of both AAA and CSAC, and that the change had made it more difficult for CSAC to conduct a quality review of the materials in a timely manner. She further stated that the authorizer's instructions are requirements, and not recommendations.

Mr. Blowman stated that the numerous errors cause for a concern of capacity of the Board. Ms. Field Rogers further stated that many changes were made to the budget without documentation or explanation. Mr. Blowman said that budget rationale is important because the committee cannot determine if the changes are real without sufficient evidence, including explanation. The committee needs conservative legitimate budget numbers with details in order to assess the status. Ms. Field Rogers stated that donation and grant documentation was not available and some identified grants were not in the budget.

The Committee concluded that the economic viability requirement is not met.

Facilities

The Committee reviewed the history of AAA's facility acquisition which initiated on December 15, 2013 when DDOE received an executed lease stating that this school was scheduled to open in the CEB building. On April 8, 2014, the DOE received notification that this charter planned to share space with DE Met. Recently, DOE received a letter, dated April 25, 2014 and signed by AAA's Board president on April 27, 2014, that described some changes and conditions in the CEB lease. Among the conditions are minimum enrollment requirements for May 1, 2014 and July 1, 2014, which are less than the minimum enrollment this school is required to have as of April 1, 2014 by state law. Additionally, the July 1, 2014 date contravenes the regulatory requirement that the school have a Certificate of Occupancy no later than June 15 to open for the 2014-15 school year. Riccardo Stoeckicht, President of CEB, stated that the property should have a Certificate of Occupancy by early June and will have AAA's available by the deadline. Mr. Urdiales confirmed that the school will have their Certificate of Occupancy by June 15, 2014. Ms. Hickey stated that the lease conditions in the April 25, 2014 letter are problematic both because they are less than statute requires and because the validity of the lease itself, as well as the deferral of the portion of the rent, appears to be void, if even those subpar enrollment numbers are not met by July 1, 2014.

The Committee concluded that the facility requirement is not met.

Fidelity to Approved Charter

The Committee asked if the charter could implement the same education program at a lower enrollment and funding level especially as the school builds. Mr. Urdiales stated that the educational program will be delivered as proposed. AAA will hire five kindergarten teachers and three first grade teachers. Since there are an odd number of teachers in both grades, AAA will employ teachers that are bilingual teachers that are fluent in both Spanish and English. The original proposal was to have one Spanish teacher for every English teacher. The Committee questioned how the future years will be impacted and if AAA will be able to enroll the proper number of student to maintain fidelity to their charter. Melissa Browne, Board member, explained that they will only accept 100 kindergarteners in year two to create a smaller bubble and they will accept students in the first grade classes in year two. Ms. Hickey stated concern that relying only on the inclusion method of providing special education is not legally adequate, as a continuum of services is required to be available, and with the low enrollment this could be a challenge for AAA.

The Committee concluded that the fidelity to approved charter requirement is not met.

Capacity of Leadership Team

AAA stated that they have established an oversight committee of Board members to monitor the Charter Management Organization (CMO). The Board will be provided status reports from the CMO and oversight committee. Ms. Johnson brought to the attention of AAA that on page 64 of their original application that the Board's responsibilities are outlined and describes the support and evaluation of the CMO. Maria Matos and Nora Gonzalez Castellanos, Board members, responded that going forward the Board will manage the budget instead of the CMO and they "will be taking over". It was later clarified by Ms. Matos that the Board is not taking over but just looking deeper and being more rigorous in its reviews. Mr. Ferguson stated that the CMO contract will not be changed. AAA reported that the CMO has provided monthly reports of work plans with status updates.

Ms. Johnson asked AAA to clarify when the oversight committee was established and Ms. Browne stated it was during their last Board meeting on April 2, 2014. Ms. Nagourney asked AAA's Board of Directors to explain how they prepared for the April 1, 2014 deadline. Mr. Ferguson stated that they did not plan for the April 1st deadline, but rather the goal of reaching full enrollment as quickly as possible. Ms. Matos explained that the Board did not believe that the date would be enforced by DDOE and they focused on May 1st. Mr. Urdiales stated that AAA understood the process but recruitment was difficult but it is being addressed. Ms. Nagourney asked what could be expected from AAA with respect to compliance with deadlines. Ms. Matos stated that all deadlines will be put into a work plan. Ms. Hickey stated that all statutory and regulatory deadlines and requirements must be met. Ms. Nagourney stated for the record that the April 1st date was communicated numerous times over the past year to all new charters including AAA.

The Committee concluded that the capacity of leadership team requirement is not met.

Summary and Recommendations

April 1 Requirement – NOT MET

- CSAC requests a copy of the student recruitment plan
- CSAC requests the CMO's assessment on the difficulty of recruiting students; given their experience of recruitment for other charters successfully, what makes AAA recruitment more difficult and what alternate strategies were investigated for recruitment and when were they implemented?

Economic Viability – NOT MET

- CSAC requests updated and complete budgets with all revenue information
- CSAC requests narrative documents that completely explain the financial figures included in the budget
- CSAC requests a copy of all grant and donation documentation including award notices or confirmation of the awards

Facilities – NOT MET

- CSAC requests information about AAA's contingency plans in the event that that its CEB lease is invalidated by failure to meet the specified conditions

Fidelity to Approved Charter – NOT MET

- CSAC requests clarity on the changes to AAA's plans to serve students with disabilities at a lower staffing level, particularly with respect to the potential need to serve students requiring a broad range of special education services
- CSAC requests information about the status of AAA's teacher recruitment process, particularly with respect to hiring of bilingual teachers who are fluent in both Spanish and English
- CSAC requests information about any changes to AAA's teacher recruitment plans, given the changed plans to hire bilingual teachers who are fluent in both Spanish and English
- CSAC requests information about AAA's contingency plans in the event that they are not able to recruit and hire a sufficient number of bilingual teachers who are fluent in both Spanish and English

Capacity of Leadership Team – NOT MET

- CSAC requests clarity about the source of the information leading the AAA Board to believe that the DOE would not enforce the April 1st deadline, and how the AAA Board considered and reviewed that information
- CSAC requests clarity on why the AAA Board has created an Oversight Committee and the specifics of the committee's role
- CSAC requests the Board's contingency plan if the oversight committee determines the CMO does not meet expectations

Conclusion

A motion was made and seconded that the charter for Academia Antonia Alonso was found to be out of compliance at this initial review. The motion was unanimously carried.

Mr. Blowman articulated the next steps in the new application process as follows:

- The CSAC Initial Report will be issued no later than May 5, 2014
- The first public hearing on this application is scheduled for May 19, 2014, at 5:00 pm in the 2nd Floor Auditorium in the Carvel Building in Wilmington
- The applicant will have the opportunity to submit a written response to the CSAC Initial Report. The deadline for the response is May 20, 2014 at 11:59 pm
- The final meeting of the CSAC will be held on May 22, 2014, at 1:00 pm
- If, after the final meeting, CSAC recommends remedial measures, a second public hearing will be held on June 12, 2014, at a time and location to be determined

The meeting concluded at 2:36 p.m.