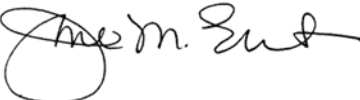





TO: P-12 Education Committee

FROM: Jhone M. Ebert 

SUBJECT: Renewal and Revision Recommendations for a Charter School Authorized by the Board of Regents

DATE: April 5, 2018

AUTHORIZATION(S): 

SUMMARY

Issue for Decision

Should the Board of Regents approve the proposed renewal charter for the following charter school authorized by the Board of Regents pursuant to Article 56 of the Education Law (the New York Charter Schools Act):

1. **South Bronx Classical Charter School II** (full-term, five-year renewal and a revision to expand grade levels served from K-Grade 5 to K-Grade 8 and expand their authorized enrollment from 360 to 438 students)

Reason(s) for Consideration

Required by State statute.

Proposed Handling

This issue will be before the P-12 Education Committee and the Full Board for action at the April 2018 Regents meeting.

Procedural History

The New York State Education Department (the Department) made the renewal recommendations being presented to the Board of Regents for approval and issuance as required by Article 56 of the Education Law and 8 NYCRR 119.7.

Background Information

Performance Framework

The Board of Regents Charter School Performance Framework (the “Framework”), which is part of the Board of Regents Charter School Renewal Policy and the Oversight Plan included in the Charter Agreement for each school, outlines three key areas of charter school performance: (1) Educational/Academic Success; (2) Organizational Soundness; and (3) Faithfulness to Charter and Law. The Framework sets forth ten performance benchmarks in these three areas. The Framework is designed to focus on performance outcomes, to preserve operational autonomy and to facilitate transparent feedback to schools. It aligns with the ongoing accountability and effectiveness work with traditional public schools and balances clear performance measures with Regents’ discretion.

New York State Education Department Charter School Performance Framework

Performance Benchmark	
Educational Success	<p>Benchmark 1: Student Performance: The school has met or exceeded achievement indicators for academic trends toward proficiency, proficiency and high school graduation. At all grade levels and all assessments, scoring proficiently means achieving a performance level of 3 or higher (high school Regents and Common Core Regents exam score of 65 or higher).</p>
	<p>Benchmark 2: Teaching and Learning: School leaders have systems in place designed to cultivate shared accountability and high expectations and that lead to students’ well-being, improved academic outcomes, and educational success. The school has rigorous and coherent curriculum and assessments that are aligned to the NYS Learning Standards (NYSLS) for all students. Teachers engage in strategic practices and decision-making in order to address the gap between what students know and need to learn so that all students experience consistent high levels of engagement, thinking and achievement.</p>
	<p>Benchmark 3: Culture, Climate, and Family Engagement: The school has systems in place to support students’ social and emotional health and to provide for a safe and respectful learning environment. Families, community members and school staff work together to share in the responsibility for student academic progress and social-emotional growth and well-being. Families and students are satisfied with the school’s academics and the overall leadership and management of the school.</p>
Organizational Soundness	<p>Benchmark 4: Financial Condition: The school is in sound and stable financial condition as evidenced by performance on key financial indicators.</p>
	<p>Benchmark 5: Financial Management: The school operates in a fiscally sound manner with realistic budgets pursuant to a long-range financial plan, appropriate internal controls and procedures, and in accordance with state law and generally accepted accounting practices.</p>
	<p>Benchmark 6: Board Oversight and Governance: The board of trustees provides competent stewardship and oversight of the school while maintaining policies, establishing performance goals, and implementing systems to ensure academic</p>

	<p>success, organizational viability, board effectiveness and faithfulness to the terms of its charter.</p> <p>Benchmark 7: Organizational Capacity: The school has established a well-functioning organizational structure, clearly delineated roles for staff, management, and board members. The school has systems and protocols that allow for the successful implementation, evaluation, and improvement of its academic program and operations.</p>
Faithfulness to Charter & Law	<p>Benchmark 8: Mission and Key Design Elements: The school is faithful to its mission and has implemented the key design elements included in its charter.</p>
	<p>Benchmark 9: Enrollment, Recruitment, and Retention: The school is meeting or making annual progress toward meeting the enrollment plan outlined in its charter and its enrollment and retention targets for students with disabilities, English language learners, and students who are eligible applicants for the free and reduced priced lunch program; or has demonstrated that it has made extensive good faith efforts to attract, recruit, and retain such students.</p>
	<p>Benchmark 10: Legal Compliance: The school complies with applicable laws, regulations, and the provisions of its charter.</p>

Charter School Renewal Applications

In Article 56 of the Education Law, Section 2852(2) requires the chartering entity (in this case the Board of Regents) to make the following findings when considering a charter renewal application:

- (a) The charter school described in the application meets the requirements set out in this article and all other applicable laws, rules and regulations;
- (b) The applicant can demonstrate the ability to operate the school in an educationally and fiscally sound manner;
- (c) Granting the application is likely to improve student learning and achievement and materially further the purposes set out in subdivision two of section twenty-eight hundred fifty-one of this article; and
- (d) In a school district where the total enrollment of resident students attending charter schools in the base year is greater than five percent of the total public school enrollment of the school district in the base year (i) granting the application would have a significant educational benefit to the students expected to attend the proposed charter school or (ii) the school district in which the charter school will be located consents to such application.

In addition, Renewal Guidelines contained in the Regulations of the Commissioner (8 NYCRR 119.7(d)) were adopted by the Board of Regents, and require that the Board further consider the following when evaluating a charter renewal application:

- (a) The information in the charter school's renewal application;
- (b) Any additional material or information submitted by the charter school;

- (c) Any public comments received;
- (d) Any information relating to the site visit and the site visit report;
- (e) The charter school's annual reporting results including, but not limited to, student academic achievement;
- (f) The Department's renewal recommendation and the charter school's written response, if any; and
- (g) Any other information that the board, in its discretion, may deem relevant to its determination whether the charter should be renewed.

Beyond the requirements to make the findings set forth in the Education Law and consider the factors set forth above, the Charter Schools Act leaves the decision of whether to renew a charter to the sound discretion of the Board of Regents.

Related Regents Items

South Bronx Classical Charter School II

[June 2012 Initial Charter](http://www.regents.nysed.gov/common/regents/files/documents/meetings/2012Meetings/June2012/612p12a2.pdf)

<http://www.regents.nysed.gov/common/regents/files/documents/meetings/2012Meetings/June2012/612p12a2.pdf>

[April 2016 First Merger](http://www.regents.nysed.gov/common/regents/files/416p12a3.pdf)

<http://www.regents.nysed.gov/common/regents/files/416p12a3.pdf>

Recommendations

The State Education Department Renewal Recommendations

The attached Renewal Recommendation Report provides summary information about the Renewal Application before the Regents for action at the April 2018 meeting, as well as an analysis of the academic and fiscal performance of the school over the charter term.

Pursuant to Education Law §2851(2)(p), charters may be renewed for a charter term of no more than five years. The Department typically makes renewal recommendations for a full term of five years, or a short term of three years. The Department may also make recommendations for non-renewal and has additional flexibilities to make renewal recommendations for other charter term lengths.

The Department considers evidence related to the ten performance benchmark areas of the Charter School Performance Framework when making recommendations to the Regents concerning charter renewal applications. However, student academic performance is of paramount importance when evaluating each school. The recommendations below were made after a full due-diligence process over the charter term, including review of the information presented by the schools in their Renewal Applications, specific fiscal reviews, a two-day renewal site visit conducted by a Department team for each school, comprehensive analysis of achievement data, and

consideration of public comment. Over the course of the charter term, the Department will closely monitor all charter schools based on the Monitoring and Oversight Plan.

Renewal Recommendations

VOTED: That the Board of Regents finds that, the **South Bronx Classical Charter School II**: (1) meets the requirements set out in Article 56 of the Education Law, and all other applicable laws, rules and regulations; (2) the applicant can demonstrate the ability to operate the school in an educationally and fiscally sound manner; (3) granting the application is likely to improve student learning and achievement and materially further the purposes set out in subdivision two of section twenty-eight hundred fifty of this article; and (4) granting the application would have a significant educational benefit to the students expected to attend the charter school, and the Board of Regents therefore approves the renewal application of the **South Bronx Classical Charter School II** and that a renewal charter be issued, and that its provisional charter be extended for a term up through and including **June 30, 2023**.

Timetable for Implementation

The Regents action for the above-named charter school will become effective on July 1, 2018.

South Bronx Classical Charter School II

In accordance with Education Law, Article 56, Sections 2851(4) and 2852(2), Commissioners Regulation 119.7, and the Board of Regents Charter School Renewal Policy, the **New York State Education Department recommends a full-term renewal for a period of five years for South Bronx Classical Charter School II. The charter term would begin on July 1, 2018 and expire on June 30, 2023.**

South Bronx Classical Charter School II (SBCCS II) is meeting the academic performance benchmarks set forth in the Board of Regents Charter School Performance Framework. South Bronx Classical Charter School II is one of the highest performing charter schools in New York State. The school is implementing the mission, key design elements, education program and organizational plan set forth in the charter.

Charter School Summary

Name of Charter School	South Bronx Classical Charter School II
Board Chair	Stephen Baldwin
District of location	NYC CSD 7
Facilities	333 East 135th Street, Bronx, NY 10454 (NYC DOE Co-Located Space)
Opening Date	Fall, 2013
Charter Terms	August 21, 2013-June 30, 2018
Current Term Authorized Grades/Maximum Authorized Enrollment	K-Grade 5/ 360 students
Proposed Renewal Term Authorized Grades/ Proposed Maximum Authorized Enrollment	K-Grade 8/ 438 students
Comprehensive Management Service Provider	Classical Charter Schools
Mission Statement	<i>South Bronx Classical Charter School II prepares K-8th grade students in the South Bronx to excel in college-preparatory high schools. Through a classical curriculum and highly-structured setting, students become liberated citizens of impeccable character who achieve proficiency in and advanced mastery of New York State Performance Standards.</i>
Key Design Elements	<ul style="list-style-type: none"> • Drastically improve the academic success of its scholars, in comparison to their neighboring and similar schools • Thoroughly prepare our scholars for rigorous higher education • Create respectful, compassionate, and productive citizens
Requested Revision	<ul style="list-style-type: none"> • To expand grade levels served from K-Grade 5 to K-Grade 8 and expand their authorized enrollment from 360 to 438 students

Current Grade Levels and Maximum Authorized Enrollment

School Year	Grades Served	Maximum Approved Enrollment	Actual Enrollment
2013-2014	K-1	120	120 ¹
2014-2015	K-2	177	172
2015-2016	K-3	231	216
2016-2017	K-4	300	293
2017-2018	K-5	360	349

Proposed Renewal Term Grade Levels and Maximum Authorized Enrollment

School Year	Grades Served	Maximum Authorized Enrollment
2018-2019	K-6	363
2019-2020	K-7	397
2020-2021	K-8	427
2021-2022	K-8	438
2022-2023	K-8	438

Background

The Board of Regents granted an initial charter South Bronx Classical II (SBCII) in August 2013. The school operates in Community School District 7 in the Bronx. It is located at 333 East 135th Street in a public co-located facility. South Bronx Classical II currently serves 349 students in K through Grade 5. The school proposes to expand one grade per school year until it reaches full capacity in 2022-2023, serving 438 students in K through Grade 8. On April 18, 2016, SBCCS II merged with South Bronx Classical Charter School and South Bronx Classical Charter School III, with South Bronx Classical Charter School II as the surviving education corporation under the amended name Classical Charter Schools.

Summary of Evidence for Renewal

Key Performance Area: Educational Success

Student Performance – Elementary/Middle School Outcomes

Over the five-year charter term, SBCCS II administered the NYS English language arts and mathematics assessments to students in Grades 3 through 8 and the Regents exams to applicable middle school students. The outcomes from these assessments serve as the basis for determination of academic success in absolute proficiency outcomes and comparisons to the state and district of location.

SBCCS II has a documented curriculum that is aligned to the New York State Learning Standards (NYSLs) and is grounded in a classical education framework. SBCCS II utilizes the curricula that has been developed and revised by Classical Charter Schools (CCS). The school leadership team discussed at the leadership focus group at the site visit that the school adheres to the model used at SBCCS I which seeks

¹ Self-reported by SBCCS II in Renewal Site Visit Workbook

to offer structure, academic rigor, and “college ready” curricula to ensure college and career readiness through academic and ethical knowledge and skill. The school reported in its renewal application that the curriculum follows a sequential and modular format, with flexible lesson plans.

The school reported that it offers 100 minutes of math daily, broken into three main blocks comprised of the main lesson, a re-teach section, and Number Stories. The school reported that it allocates three hours a day to ELA, including phonics, grammar, writing, reading aloud, guided reading, close reading, and textual analysis. The school develops its science curriculum around the Next Generation Science Standards, and its social studies curriculum around the NYS K-12 Social Studies framework. Students also start taking Latin in third grade and debate in fourth grade. The network’s Director of Curriculum and Instruction oversees the implementation of the curriculum and with the support of instructional coaches, collaborates with teachers on delivering and reviewing curriculum. The school extensively uses a robust data collection system to help drive effective instructional decision making.

In 2016, SBCCS II students in Grade 3 outperformed the state and its district of location in both ELA and math proficiency. In 2017, SBCCS II students in Grades 3 and 4 outperformed the state and its community school district of location in both ELA and math proficiency.

See Tables 1 and 2 below regarding 3-8 math and ELA exam aggregate and subgroup student performance compared to the district and state average.

Table 1: Elementary/Middle School Assessment Proficiency Outcomes for All Students: School, District & State Level Aggregates

	ELA					Math				
	SBCCS II	NYC CSD 7	Variance to NYC CSD 7	NYS	Variance to NYS	SBCCS II	NYC CSD 7	Variance to NYC CSD 7	NYS	Variance to NYS
2015-2016	93%	26%	+67	42%	+51	79%	24%	+55	44%	+35
2016-2017	79%	26%	+53	42%	+37	78%	25%	+53	46%	+32

Note: Data in Table 1 represents tested students in Grades 3-8 at SBCCS II, NYC CSD 7, and the state average who scored proficiently (level 3 or above) on each state assessment. This table was created using grade level data to generate the comparative values, the percent difference between the school’s performance and the district or state averages. All values were calculated to the nearest whole number; therefore, the percent differences may show a rounded value.

Table 2: Elementary/Middle School Assessment Proficiency Outcomes for Special Populations

Subject	School Year	Students with Disabilities (Variance to NYC CSD 7)	English Language Learners (Variance to NYC CSD 7)	Economically Disadvantaged (Variance to NYC CSD 7)
ELA	2014-2015	N/A	N/A	N/A
	2015-2016	N/A	N/A	95% (+70)
	2016-2017	75% (+67)	N/A	81% (+55)
Mathematics	2014-2015	N/A	N/A	N/A
	2015-2016	N/A	N/A	82% (+59)
	2016-2017	75% (+65)	N/A	78% (+53)

Note: Data in Table 2 represents tested students in respective subgroups at SBCCS II and in NYC CSD 7 who scored proficiently (level 3 or above) on each state assessment. This table was created using grade level data to generate the comparative values, the percent difference between the school's performance and the district or state averages. All values were calculated to the nearest whole number; therefore, the percent differences may show a rounded value. Some data was suppressed pursuant to Department data suppression guidelines.

According to the February 2016 ESEA accountability designations, SBCCS II is In Good Standing.

Key Performance Area: Organizational Viability

Financial Condition

The financial condition of South Bronx Classical Charter School II appears to be improving as evidenced by performance on key indicators derived from the school's independently audited financial statements.

The Charter School Office reviews the financial performance and management of charter schools using quantitative and qualitative methods. Near-term indicators, such as the current ratio and unrestricted days cash, are measures of liquidity and of the charter school's capacity to maintain operations. Long-term indicators, such as total margin and debt-to asset ratio, are measures of the charter school's capacity to remain viable and to meet financial obligations².

A *composite score* is an overall measure of financial health calculated by the Department's Office of Audit Services. This score is based on a weighting of primary reserves, equity, and net income. A charter school with a score between 1.5 and 3.0 is considered to be in strong financial health. South Bronx Classical Charter School II's composite score for 2015-2016 is 0.8. The table below shows the school's composite scores from 2013-2014 to 2015-2016.

² These rigorous indicators of fiscal soundness are aligned with those recommended by the National Association of Charter School Authorizers.

**South Bronx Classical Charter School II's Composite Scores
2013-2014 to 2015-2016**

<i>Year</i>	<i>Composite Score</i>
2013-2014	-0.7
2014-2015	-0.4
2015-2016	0.8

Source: NYSED Office of Audit Services

Financial Management

The Charter School Office reviewed South Bronx Classical Charter School II's 2015-16 audited financial statements to determine whether the independent auditor observed sufficient internal controls over financial reporting. The auditor did not identify any deficiencies in internal controls that could be considered material weaknesses.

Key Performance Area: Faithfulness to the Charter and Law

Enrollment, Recruitment and Retention

The school has strong enrollment and backfills students all grades from its waitlist. Through efforts towards increasing the percentage of English-language learners enrolled, the school is coming close to, but not yet, meeting its targets for this special population subgroup (Table 3). Both SWD and ED student enrollment did not show significant growth, with a dip in the enrolled number of SWDs in the past year.

The school is making efforts to recruit, serve, and retain at-risk students³. Efforts to recruit and retain students in the ELL population, in particular, include the school:

- starting a Summer Learning Academy for all new students to school, which allows it to identify ELLs earlier and allows them to immediately place them in an appropriate program;
- reporting that it tracks the students' NYS English as a Second Language Achievement Test (NYSESLAT) data after the ELLs are first identified to provide follow-up and strengthening measures; and
- offering professional development to teachers, in small groups, on how to better support ELLs within general education classrooms.

³ Education Law §2854(2)(a) requires that schools demonstrate good faith efforts to attract and retain a comparable or greater enrollment of students with disabilities, FRPL eligible students and English language learners when compared to the enrollment figures for such students in the school district in which the charter is located. SUNY and the Regents were charged with setting specific enrollment and retention targets for each charter school, and have done so. Education Law §2852(9-a)(b)(i). All charter schools that were initially chartered after August 2010 or renewed after January 1, 2011, are expected to meet or exceed the enrollment and retention targets set by the Regents and SUNY. When submitting an application for renewal of the charter, schools are required to provide information detailing the means by which they will meet the enrollment and retention targets (Education Law §2851(4)(e)), and this information is considered by the Regents in the review of the school's performance over the charter term. A school's plan to change its enrollment practices, whether by weighting the lottery or preferencing, may also be considered when determining whether the school will meet the targets in the upcoming charter term. A school's repeated failure to meet or exceed its enrollment and retention targets, when combined with a failure to show that extensive efforts to meet the targets have been made, may be cause for termination or revocation of the charter pursuant to section Education Law §2855(1)(e).

Table 3: Student Demographics – SBCCS II Compared to District of Location (NYC CSD 7)

	2015-2016 Percent of Enrollment			2016-2017 Percent of Enrollment			2017-2018 Percent of Enrollment ⁴
	School	District	Variance	School	District	Variance	School
Enrollment of Special Populations⁵							
Students with Disabilities	20%	24%	-4	13%	26%	-13	15%
English Language Learners	6%	23%	-17	16%	22%	-6	14%
Economically Disadvantaged	86%	96%	-10	86%	97%	-11	87%

Student Retention

According to NYSED data, the overall student retention rate at SBCCS II is 69%. The district-wide retention rate in NYC CSD 7 is 71%.

Legal Compliance

South Bronx Classical Charter School II operates in accordance with applicable law, regulations, rules and other policies, including the terms of its charter, its by-laws and other school-specific policies. It is also in compliance with federally mandated disciplinary procedures for students with disabilities, and NYS DASA regulations. The board holds meetings in accordance with the Open Meetings Law.

Summary of Public Comment

The required public hearing for the renewal was held by the New York City Department of Education on September 25, 2017. Three people attended, and no one spoke in favor or opposition of the renewal. A subsequent hearing regarding the charter revision was held by the New York City Department of Education on March 29, 2018. Two people attended. One person spoke in favor of the proposed revision and none spoke in opposition.

⁴ Enrollment for the 2017-18 school year is preliminary and therefore cannot be compared to the district. The enrollment figures provided for the school year have been reported by the school.

⁵ Percentages of English language learners and students with disabilities include students who were exited from these services within the last three year of enrollment record.