

THE FLORIDA DEPARTMENT OF EDUCATION
CHARTER SCHOOL APPEALS COMMISSION

Technical Assistance Paper

APPEAL OF IMAGINE CHARTER SCHOOL AT PASCO
DENIAL OF CHARTER CONTRACT

APPELLANT: IMAGINE CHARTER SCHOOL AT PASCO

SCHOOL BOARD: OF PASCO COUNTY, FLORIDA

INTRODUCTION & HISTORY

On September 1, 2006, Imagine at Pasco, (hereinafter the “Charter School Applicant”) submitted its charter application to the Pasco County School Board (hereinafter the “School Board”) for approval as a charter school. The application proposed an elementary school (grades kindergarten through fifth grade and a pre- kindergarten program. The program would be based upon the “Imagine Schools Non-Profit, Inc. approach to developing and operating healthy schools.” Pasco Imagine would use the Project CHILD teaching methodology, which is a “research-based teaching and learning system” that utilizes a “cluster-team” approach to teaching in which the same “team” of teachers teach across grade-levels. Pasco Imagine is a limited liability company consisting of a single-member-Imagine Schools Non-Profit, Inc. of Virginia.

Thereafter, the Charter School Applicant on September 22 and 26, 2006, as requested, presented additional information.

On October 17, 2006, the School Board denied the application of the Charter School Applicant. On October 24, 2006, a letter of denial was written to the Charter School Applicant. On October 25, 2006, the Charter School Applicant received the denial letter by hand delivery. The denial letter stated that recommendation of denial is based upon statutory good cause; specifically the Charter School Applicant’s financial plan was predicated upon enrollment and revenue assumptions that were not justified. Based upon enrollment data of currently operating charter schools in Pasco County, there is no evidence that the Charter School Applicant projected enrollment in years one through five is reasonable or attainable. Also, the amount of additional revenues generated from the Pre-K program and before- and- after care program is questionable.

Further, the denial letter stated that the application was denied base upon statutory good cause: the application does not address how the Charter School Applicant will meet the prescribed purpose of a charter school, there is not evidence of community support or input, and there is an absence of clearly defined reading strategies to be used to differentiate instruction for students reading at or above grade level and for students reading below grade level. It further stated that the Charter School Applicant does not state measurable goals and objectives and that there is no evidence of a plan that will identify students in the lowest quartile nor is there a plan to raise this group’s achievement level.

On November 27, 2006, the State Board of Education received notice of the Charter School Applicant’s Appeal (hereinafter “Appeal”).

On November 28, 2006, the School Board received notice of the Appeal from the Charter School Applicant.

On or before December 27, 2006, the School Board filed a response to the Appeal with the State Board of Education (hereinafter “Response”).

ISSUE ONE

WHETHER THE SCHOOL BOARD HAD GOOD CAUSE TO DENY THE CHARTER SCHOOL'S APPLICATION BASED UPON:

A. Inadequate Financial Plan Predicated on Enrollment and Revenue

- The Charter School Applicant states that it submitted a five-year financial plan for the operations of the school, a Year One Detailed Report with Cash Flow Projections, and a Year One Budget in the Florida Redbook format. The plan contained anticipated revenue projections and a spending plan based on projected revenues and expenses. The plan further includes controls that will safeguard finances and enrollment trends. (Appeal page 7).
- The Charter School Applicant further states that additional revenue projections included in the financial plan are based upon trends in existing Imagine Schools. This revenue is comprised of VPK dollars, Pre-K tuition (for a half day), and before and after care, rental of facility and Start-Up Grants. Moreover, based upon experience in other Imagine schools operating in Florida, it is anticipated that 96% of the planned 434 students will enroll in the school. Appendix C of the application demonstrates and presents reasonably calculated (based on conservative enrollment flexibility) positive funding balances at the end of each projected year. Staffing will be adjusted if the enrollment is lower than projected, and increased if enrollment is higher. The experience of other similarly situated charter schools establishes the likelihood and reasonableness of these projected enrollments, and planning shows that staffing will be based on the needs of actual enrollments. (Appeal page 7 and page 8).
- The Charter School Applicant also states that details of financial data and historical data from other charter schools are available but was not requested by the School Board for review before a decision was made. (Appeal page 7 and page 8).
- The School Board states that one of the fundamental areas of review for a charter school application is finances. As set forth in F.S. 1002.33 (b) (1) (b) and (c), (b) (6) (a) (5) and (b) (1) and (2), and (b) (6) (g), financial stability and adequate financial planning are essential to a successful charter school. Moreover, such financial plans must not only be thorough and well thought out, but must be predicated on justifiable calculations of known and reasonably predicted revenue. (Response page 10).
- The School Board further states that the Charter School Applicant submitted an application that based its financial budget on an estimated five-year enrollment of 434 elementary students. Its budget then estimated that the enrollment would increase to 732 elementary students by the fifth year the school would open. This is significantly beyond any charter school enrollment in Pasco County. Even the oldest and most established charter school, which covers grades K-8, does not have 434 students after seven years in operation. Moreover, no charter school in Pasco County has ever opened with more than 165 students the first year. The highest first year charter school enrollment in Pasco County is a little more than one-third of what the Charter School Applicant has relied upon in calculating revenues. Thus, it is clear from the face of the application that the

Charter School Applicant's financial plan is inadequate and improperly budgeted. (Response page 11).

- The School Board also states that the Charter School Applicant similarly overestimated the number of children that would participate in its before and after care programs and pre-kindergarten program and the money these programs would generate. The Charter School Applicant budgeted revenue of \$575,000.00 for these services. An estimated fifty-two pre-kindergarten students would attend the school. Yet it is not specified whether the program would be based upon parents paying the full amount of tuition, or whether school readiness/subsidized dollars would be accepted, or if voluntary pre-kindergarten dollars or some other source would fund this program. In addition, the Charter School Applicant failed to specify how many students it believes will participate in before and after school programs and the amounts parents would be paying. In sum, based on existing charter schools in Pasco County, an estimated additional revenue stream of \$575,000.00 for childcare and pre-kindergarten programs, considering the number of students currently enrolled in Pasco County charter schools, is unattainable. (Response page 12).
- The School Board further states that the Charter School Applicant argues that it will adjust the staffing needs and its expenses based on the actual enrollment, not estimated enrollment of students. Such an adjust does not comply with the statutory requirements of a reasonable five year financial plan as stated in F.S. 1002.33 (6)(a)(5). Simply asserting the Charter School Applicant will make adjustments when needed negates the entire role of a financial plan. The argument that adjustments will be made is particularly unpersuasive where, as here, the disparity between the Charter School Applicant's estimated enrollment and the actual enrollment of similarity-situated Pasco County charter schools is so substantial. (Response page 13).
- The School Board also states that the Charter School Applicant complains that historical financial information from other Imagine charter schools were never requested during the review application review process. However, this not only fails to recognize that a charter school application should include all relevant materials for consideration when submitted in final to the School Board, but also fails to address the root of the problem, which is a deficient financial plan for the Charter School Applicant. Furthermore, is should be noted that many of the Imagine charter schools in Florida, referenced by the Charter School Applicant, have been identified as struggling under substantial financial debt and are under review by their respective Districts. Of the four Imagine Charter Schools in Broward County, all four are in debt, including the one that opened this year. Also, an Imagine Charter School application was denied in Palm Beach County on the basis of issues with finances and facilities. (Response page 14 and page 15).

ISSUE TWO

WHETHER THE SCHOOL BOARD HAD GOOD CAUSE TO DENY THE CHARTER SCHOOL'S APPLICATION BASED UPON:

A. Failure to Adequately Address How The School Will Meet the Prescribed Purpose of A Charter School

- The Charter School Applicant argues that based upon the application and addendum, this allegation is unsubstantiated. The mission of the charter school (page 2 of the application- with detailed clarifications stated on page 2-5) and the purpose of the charter school (pages 10-14 of

the application) clearly defines a detailed description of how the Charter School Applicant will meet the prescribed purpose of a charter school. (Appeal page 9).

- Subsequently, the Charter School Applicant argues that although Project CHILD was dropped by Pasco County several years ago, ongoing research has led to new developments in the program not available to Pasco County at the time. The program in its present form is in fact “new” to Pasco County, and is in fact very innovative and up to date with the most current education principles and practices, and has a proven record of successful educational achievements and developmental accomplishments. (Appeal page 9).
- The Charter School Applicant further argues that even though the School Board deficiency comments lists that the application did not specify the specific student population, the application does indeed state (on page 15) that the charter school will be open to any Pasco County student in grades Pre-K through fifth grade. Furthermore, the School Boards “feeling” that the school would not be considered a strong alternative for parents is also unsubstantiated because it did not offer any competent or substantial evidence to the contrary. As in other districts, the Charter School Applicant has strong and proven reasons to suggest that Pasco County parents will determine whether the proposed charter school is a strong alternative for their child or children. (Appeal page 10).
- The School Board argues that a charter school must clearly articulate how it will meet the prescribed guiding principles and purposes of a charter school, as set forth in statute. Charter Schools are:

To meet high standards of student achievement while providing parents flexibility to choose among diverse educational opportunities within the state’s public school system. F.S. 1002.33 (2) (a) (1)

To fulfill certain purposes, including encouraging innovative learning methods and measuring learning outcomes of the teaching methods used. F.S. 1002.33 (2) (b)

To utilize innovative measurement tools. F.S. 1002.33 (2) (c) (Response page 19).

- The School Board further argues that the Charter School Applicant created a mission statement that was vague and generic (Exhibit A – Charter School Applicant’s Application). There is nothing unique or innovative about the purpose of the school nor does it seek to fill an unfilled need in the community. (Response page 19).
- The School Board also argues the Charter School Applicant failed to demonstrate how the Project CHILD program is “new” to Pasco County and qualifies as innovative under the charter school statute. The Charter School Applicant fails to cite ways in which the current Project CHILD program differs from the prior program. (Response page 20).
- The School Board argues that although the Charter School Applicant does mention (on page 15 of the application) its targeted student population, it includes pre-kindergarten children in its students population yet there is no statutory obligation to include this information. Furthermore, the fact that the proposed charter school does not meet the needs of any specific group of students within Pasco County or provide an opportunity for students not presently being served or who are underserved, is further evidence that the application failed to meet the prescribed purpose of a charter school. (Response page 21).

- The School Board also argues that the Charter School Applicant would not be considered a strong alternative for parents and is evidenced by the generic Guiding Principles, Purpose and Mission in its application and the lack of community support for the application. There are a low number of students enrolled in charter schools in Pasco County, and the application fails to identify an innovative or unfulfilled need that the school would fill. (Response page 21 and page 22).

ISSUE THREE

WHETHER THE SCHOOL BOARD HAD GOOD CAUSE TO DENY THE CHARTER SCHOOL'S APPLICATION BASED UPON:

A. Lack of Community Support or Input

- The Charter School Applicant argues that it has established community support through the fact that its operates Imagine Schools in nine other states and the District of Columbia. This includes a substantial number of schools that already operate in the state of Florida. No letters of support were included in the application because such documents were not indicated as a requirement or necessity. Moreover, the Charter School Applicant will build on its established Florida experience and operations by hosting community informational meetings, providing application forms in numerous community locations and through the use of media advertising, community newsletters, etc. (Appeal page 10 and page 11).
- The School Board asserts that the mere fact that there are Imagine Schools in nine other states, including Florida and the District of Columbia, is not evidence of community support within Pasco County. Evidence of community support is necessary as it reflects whether the proposed school will meet the first guiding principle: "providing parents flexibility to choose among diverse educational opportunities..." Further, the Charter School Applicant has not offered evidence of Pasco County community support either in its application or at the School Board hearing. The lack of any community support undermines the Charter School Applicant's enrollment estimates and demonstrates that the application is in violation of a statutory guiding principle. (Response page 22 and page 23).

ISSUE FOUR

WHETHER THE SCHOOL BOARD HAD GOOD CAUSE TO DENY THE CHARTER SCHOOL'S APPLICATION BASED UPON:

A. Inadequate Curriculum, Assessment, and Advancement Placement: Absence of Clearly Defined Reading Strategies for Students With Above and Below Grade Reading Ability. Goals and Objectives Are Not Measurable. An Inadequately Developed ESE and ESOL Program (Specially Based Upon the Proposed Budget). Failure to Provide Plans to Identify Students in the Lowest Quartile and to Raise This Group's Achievement Level.

- The Charter School Applicant argues that strategies to differentiate instruction for students above and below grade level are clearly defined in the application (pages 10, 13, 21, 23-25, 38-39, 40, 41, and 55). Furthermore, a major component of the Project CHILD program is that the instructional delivery system supports differentiated instruction. Also the goals and objectives for

improving student learning are clearly articulated and the methodology is measurable and effective. The goals include the academia area, grade levels, measurable outcomes, and assessments used. The Charter School Applicant does present specific goals and objectives for reading, math, writing and science. Specifically: at least one year's growth in reading and mathematics utilizing the Stanford 10 outcomes from the fall and spring administration. These are goals addressing growth rates, the lowest quartile, and percentage of increase, percent meeting high standards, and connected reference to SBE rule 1.09981. A VPK program implementation plan was not included because the statute does not require one. (Appeal page 12 and page 13).

- The Charter School Applicant further argues that page 36 of the application describes the ESE program planned at the school. The school will hire at least one ESE teacher and Speech/language, occupational therapy and/or physical therapy will be contracted services to the school. Moreover, these costs are on a different line item on the proposed budget. The budget, including the cost of Speech/language, occupational therapy and/or physical therapy was developed by utilizing the average number of ESE students enrollment (including costs associated) in the Charter School Applicant's other affiliated Florida Charter Schools. Adjustment will be made as necessary to fit the actual enrollment of ESE students and services needed. The Charter School Applicant's ESOL program is also explained on pages 20, 34-35, and 49-50 of the application. Page 20 of the application also explains how ESOL students benefit from the current Project CHILD program. The application references timelines for screening, assessment, the identification of an ESOL coordinator, ESOL endorsement and professional development. (Appeal page 13).
- The Charter School Applicant argues that a detailed plan to identify students in the lowest quartile and how the school will meet their needs and raise achievement levels is presented in detail in the application (beginning at page 10). The application addresses the identification of where students are, where they need to be, and strategies to get them to better levels of achievement. Intervention services, supplemental materials, and additional explicit and systemic direct instruction designed to accelerate the rate of student achievement is also discussed. The application includes the use of an Academic Improvement Plan (AIP) as a means of supporting struggling students and the specific needs of students will be identified, and methods of remediation included. The Charter School Applicant utilizes an Individualized Learning Plan for all students which goes beyond the state-required AIP process and ensures individual learning for all students. (Appeal page 14 and page 15).
- The School Board argues that every charter applicant must provide a comprehensive curriculum that adequately provides for the advancement in reading and for the lowest performing students, as well as providing measurable academic goals and objectives. Moreover, the applicant's use of the Project CHILD program does not address the statutory requirements for assessment and meet the curriculum needs of students at their individualized academic levels. A central purpose of the charter school statute, F. S. 1002.33 (6) (a) (4), is to advance the reading skills of students. To that end, the charter school statute is unequivocal that there must be clearly "differentiated strategies that will be used for students reading at grade level or higher and separate curriculum and strategies for students reading below grade level." The Charter School Applicant has failed to provide different strategies for students reading above and below grade level. The application asserts that the individualized teaching of Project CHILD would accommodate all students at all levels and additional training may be available for students who require more instruction than the 90-minute reading block each day. Yet it fails to address how the instruction will differ beyond the generalization of each student's level. (Response page15, page16 and page 17).

- Moreover, the School Board further argues that the Charter School Applicant is erroneous in its assertion that it is not required to provide any information on its VPK program. The charter school statute does not exclude programs for pre-kindergarten children from the application requirements. In fact, other schools provide services only to pre-school aged children and they must meet all of the same statutory requirements as any other applicant. A curriculum as well as measurable goals and objectives for these students is required as well. (Response page 18).
- The School Board also argues the Charter School Applicant has failed to tailor its application to meet the specifications of Pasco County as it pertains to ESE services and budget allocation. The Charter School Applicant has based its budget allocation (one ESE teacher for a proposed budget of 400+ students) by stating that it is sufficient based on the experiences of its other schools; and if it is not, the budget will be amended. Although the Charter School Applicant recognizes that its projected 13% of ESE students is lower than the district census of approximately 19%, the Charter School Applicant contends that it is in line with other Imagine Schools. Yet, Pasco County's data regarding the percentage of ESE students in its population is significantly more relevant than the percentages for other Imagine Schools. Moreover assuming that the Charter Applicant estimates that only 13% its students will require services, this means that there will only be one ESE teacher for 56 students. This is inadequate as on average, Pasco County elementary public schools assigns no more than 22 students per dedicated ESE teacher. (Response page 23 and page 24). Furthermore, the School Board argues that the Charter School Applicant contends that as to ESOL services, the application states that the Project CHILD model works equally well with ESOL students. However, the application fails to specifically how this will be achieved. (Response page 24).
- The School Board also argues that the Charter School Applicant does not contain the requisite information to comply with the statutory requirements regarding assessment, evaluation, and accountability. Nor does it adequately develop clearly defined measurable goals and objectives for students. The Charter School Applicant also reference to various tests that would be administered to all students and the students who are not reading at grade level at the end of the year might receive remediation, tutoring or to be retained. However, this is not a program tailored to identifying lowest quartile students, nor is there a specific plan to raise this particular group's level. (Response page 17 and page 18).