



**Department of Education
Charter School Accountability Meeting**

**May 30, 2013
Modification Application
Initial/Preliminary Meeting**

Delaware Academy of Public Safety and Security

Ms. McLaughlin called the meeting to order. For the purpose of the record introductions were made:

Attending Committee Members

Mary Kate McLaughlin, Chairperson, Chief of Staff
Deb Hansen, Education Associate, Visual and Performing Arts, Charter Curriculum Review
April McCrae, Education Associate, Education Associate, Science Assessment and STEM
Paul Harrell, Director, Public & Private Partnerships
Karen Field Rogers, Associate Secretary, Financial Reform & Resource Management
Barbara Mazza, Education Associate Exceptional Children Resources

Support to the Committee

John Carwell, Director, Charter School Office
Catherine Hickey, Deputy Attorney General, Counsel to the Committee
Patricia Bigelow, Education Associate, Charter School Office
Chantel Janiszewski, Education Associate, Charter School Office
Brook Hughes, Education Associate, Finance/Charter School Office
Sheila Kay-Lawrence, Administrative Assistant, Charter School Office

Other

Kendall Massett, Executive Director, Delaware Charter School Network

Representatives of Charter School

Chuck Hughes, Head of School
Charles Copeland, Board Chair
Brent Waninger, Board Teacher Representative
Sandra Wilson-Hypes, Public Safety Director
Herbert Sheldon, Business Manager

Ms. McLaughlin stated that the purpose of today's meeting is to make a preliminary recommendation on Delaware Academy of Public Safety and Security's application for a charter modification to relocate the school to a different site. She said today's meeting, a combination of the Initial and Preliminary meetings, is intended to provide an opportunity for the Committee to interact with the school. After the Initial Meeting discussion, the Committee will discuss the relevant approval criteria outlined in statute.

Ms. McLaughlin stated that the Committee's discussion today will focus on the following criteria which apply to this modification application:

- *Criterion 8 – Economical Viability*
- *Criterion 9 – Administrative and Financial Operation*
- *Criterion 10 - Insurance*
- *Criterion 12 – Health and Safety*

Ms. McLaughlin stated that at the conclusion of the Committee's discussion, John Carwell will provide the next steps. She said that she would like to give the representatives of the school a chance to discuss their modification request with the Committee and then she will open it up for the Committee to ask any questions. She said afterwards they will go into the preliminary meeting where the applicant will not be able to participate while the Committee discusses their modification application request.

Mr. Copeland said that they knew when they moved to their current location at Faith City that it was going to be a temporary space because of the future expansion to include the eleventh and twelfth grades. He said they were looking into purchasing modular classrooms for the current site. He said they contracted with EDIS to find out what they needed to do, and they filed RFPs to get quotes from various modular suppliers. He said that they found out about Our Lady of Fatima School's availability in January 2013 from a contractor. He said they thought about how the school could accommodate them with their projected final enrollment of 480 students, and that Our Lady of Fatima School had needed features such as a gymnasium, nearby parks with sports facilities, science laboratories, fully fitted classroom, and adequate parking. He said in mid-March they started getting numbers from the suppliers for the cost of putting modulars on the ground and for the added septic and plumbing costs that went along with that, and these numbers became too high. He said they approached Our Lady of Fatima School and talked with them about a lease, and also discussed that they have a two year lease with Faith City with no option out. He said he discussed their finances with Our Lady of Fatima School to determine if it was in their budget to afford a lease with them, and it was determined that it would be more cost efficient for them to lease the Our Lady of Fatima building than to add the modulars at Faith City. He said that it was at this point that they contacted the Charter School Office to discuss their plans to relocate to another site.

Ms. Field Rogers asked if he mentioned in the application that there is no opting out from the Faith City lease for two years. She stated that they will have to pay costs associated with both the Faith City lease as well as the lease with Our Lady of Fatima School.

Mr. Copeland said that this is correct, and they also listed this in their budget projections for year 2013-14. He said they also have the ability to sublease the facility at Faith City and that they have some people that are working with the landlord to provide some relief in the cost. He said that he didn't share this information with the Committee before because it wasn't available then, but he will provide the information to them once he receives more information.

Mr. Harrell asked what will be the maximum amount of students that they will be able to accept at the new facility. Mr. Copeland said that it would be the same amount they have now, which is 480 students.

Mr. Harrell asked what would the commute would be like at the new location. Mr. Copeland said it would be about 10 to 15 minutes from Wilmington and is in a more central and accessible location than the current site.

Mr. Carwell gave an overview of how the school originally planned to be located in Wilmington with the target population being Wilmington students. Due to the site's parking concerns, however, there was a modification request that was submitted in May 2010 to relocate where they are located now. He said the Committee had noted at that time some concerns around student recruitment since the target population was in Wilmington, and this might have had an impact on that targeted population. He said that as a positive, the new site would be closer to Wilmington.. He noted that he didn't see any documentation on the impact of the move on the families of current students. He asked if there were any surveys completed just to gauge any impact this might have on the families.

Mr. Hughes said they never did a survey, but they did discuss the move to a new location instead of purchasing additional modular with the parents. He said he had received positive feedback from the parents and the community with regard to the move. He said the gymnasium and the science laboratory facilities are what "sold" the families.

Mr. Carwell asked for a potential percentage of the students that planned to be retained from the current student population.

Mr. Copeland said that the school had conducted parent meetings and based on the meetings and discussions with parents, the school leadership believes that most families will choose to keep their students at DAPSS. Overall, the parents appear to be supportive of the move and understand the need for the move and are satisfied with the school. He said about 94% said they will remain with the school.

Ms. Massett said that the parents from the Smyrna area are happy with the school, and that the drive to the new location is a plus for not having to get on Route 1 and they do not mind driving the extra five minutes to the new location.

Mr. Waninger said he is the liaison to the parent booster club and said there was unanimous support from the parents about the move to the new site.

Ms. Hansen asked if there would be an impact on the curriculum with the move, particularly with the connections they have created with the community.

Ms. Hypes said that the move is actually a plus with regard to community connections because the firehouse is two blocks from the location. She said that this is a huge benefit for them because the public safety building is closer and she doesn't believe that it will affect their curriculum in any way.

Ms. Hughes said that the second piece of the budget includes a second building that is on the same site. Mr. Copeland said that the vision for that building is for it to become a flagship lab area for first responders. He said that the cadets would have their classes in that building to serve out the four years, and that it would be similar to a college building.

Mr. Carwell asked about the timing of the payoff of the lease for the Tall Oaks site.

Mr. Hughes said that timing would be the second year as they would have an increased enrollment of about 330 students. He said when they planned their proposal to include enrollment beyond the 12th grade, they had planned for 460 students, but instead decided to lower it to 440 and as they will be in much better shape moving forward.

Ms. McCrae made a recommendation that if they move into the new facility, school leadership should contact John Moyer from the DDOE to make sure that the labs are in compliance with the State's science safety requirements.

Mr. Hughes said that they will have the science department handle that with DDOE.

Ms. McLaughlin asked if the school was previously an elementary school and if there are any concerns with the facility such as bathrooms.

Mr. Hughes said the bathrooms were normal and the toilets are within normal heights.

Ms. Hickey stated since this is a catholic school any religious symbols would have to be removed or covered.

Mr. Hughes said religious symbols will not be a part of the school, and that there are only artifacts in the chapel which the school will not be using. He further stated that if there are any visual items within the building, they will be removed.

Ms. Hughes asked about the first year budget of the 394 if it included the negotiated \$190,000 of the new lease and then the \$204,000 for the current lease for years one and two and then it drops off. She asked if they made a deposit that will reduce the cost of the \$190,000.

Mr. Copeland said, "No".

Ms. Hughes said that if they were able to sublease then that would be an additional revenue.

Mr. Carwell asked Ms. Hughes if she had concerns about the lease itself.

Ms. Hughes said there is a Service Rider on the new lease and wanted to make sure that the school was budgeted appropriately for the repair expenses because some of the expenses fall to them instead of the landlord.

Mr. Hughes said that when they looked at the Service Rider they tried to determine where their expenses were. Mr. Copeland responded that they had a five year spreadsheet of what the previous school was spending at the location from all their expenses and so they were able to look through their cost to determine what they would be spending, and they did see a little savings. He said that they felt good about the numbers and they were able to afford to pay the bills based on the spreadsheet. He offered to share the spreadsheet projection with the Committee if they wanted to see it.

Ms. Hughes said the main concern they have is that in a lot of cases, the landlord furnishes the repairs and the tenant is not necessarily involved in determining who gets to do the work and how much it will cost before the work is being done. She just wanted to make sure that there is a provision that will allow the school to be involved in the decision making process. She said she would hate for something to be repaired and then the school receives a \$25,000 bill or whatever amount the landlord gives them.

Mr. Copeland said that for any major repairs, there is a \$5,000 cap to protect them and any excess amount of the cost would be the responsibility of the landlord.

Ms. McLaughlin asked if there were any more questions and if not they would move into the Preliminary meeting.

Criterion 8: Economical Viability. Ms. Hughes said the Applicant's budget narrative and projection for FY 2014 was completed using FY 2013 allocations. However, the Applicant's FY 2013 Federal allocation amounted to \$40,988, whereas the projected amount for FY 2014 was \$130,000. It is not clear how this value was calculated because the budget does not specifically address the method of calculations. She said that the Committee would like to have a little more detail about how the school came up with this projection.

She said that all the budgets that were submitted by the school were done on one budget sheet and she explained the budget worksheets were built using all funding sources (state, local, Federal, and

other). She said this is not the preferred method for projecting budgets because Federal funds are typically restricted for specific purposes and cannot be considered to be available to cover shortfalls in State/Local/Other funding. She said the budget worksheets on the Charter School website have separate tabs for each funding source; thereby providing clarity as to the source and allocation of funds. It is difficult to determine if the school will have sufficient State/Local/Other funds to cover expenses because they were combined with the Federal Funds. She said the revenue streams and expenses need to be split out and the contingency budget included only one year of data; thus, it is not possible to review the long-term viability if the school's enrollment does not meet the projected levels. She said the Applicant should produce a four-year projected budget based on 80% of maximum student enrollment.

Ms. Hughes' recommendation is that this criterion is considered not met.

Ms. McLaughlin asked if there were any more questions or discussions under this section.

Criterion 9: Administrative and Financial Operation.

- (a) Plans for Managing Financial Operations.** Ms. Hughes said that the Applicant's response to Criterion 9(a) explains that the operation and organizational structures currently in place will remain intact after moving to the new location. There are no changes to the current operations. Innovative Schools will continue to provide back-office support.

Ms. Hughes said this subsection is considered met.

- (e & f) Criteria and Timeline for Hiring Staff and Teacher Recruitment.** Dr. Bigelow said the job descriptions that are provided for each role are comprehensive and provide a clear understanding of each role. She said the plan accounts for a principal, assistant principal, teachers, administrative assistant, and school nurse, but does not mention additional service providers, such as custodians, security, etc.

Dr. Bigelow said this subsection is considered met.

- (l) Plan to Recruit Students.** Mr. Carwell said that this section was connected to the earlier discussion and questions about the retention of students. He said clarification is required from the Applicant to provide evidence of the percentage of students that they will retain based on the move.

Ms. McLaughlin said that the application states "plan to recruit students" and what they are mainly looking for is confirmation that the current numbers will be kept in the range that it is now. She said that this may have misled the applicant in terms of not providing the information.

Ms. Massett questioned wouldn't we already know this information if the school already turned in its May 30th enrollment count and if the parents have already been told about the move and signed their contracts.

Mr. Carwell said that for the first year students yes, but students that are there beyond the first year do not have an agreement that they have to commit to. He said what they have found in some cases, and DAPSS is evidence of this, is that even when parents commit,

there could be decreased in enrollment after a move. He said this happened to a couple of schools when bus routes became an issue.

Ms. Massett said that is after the fact though. She said parents could say absolutely and you are kind of asking them to look into the future.

Mr. Carwell said they are not asking the school to provide a detailed survey, but rather just the basic question about whether the parents are planning on sending their children to the school when they move "yes or no". He said that is all they would like to see.

Mr. Harrell added that there will always be the last minute parents that will change their mind.

Ms. McLaughlin asked if there were any more questions or discussions under this section.

Criterion 10: Insurance. Mr. Carwell said he reviewed this section and the application did not include a copy of the school's Certificate of Insurance to verify the projected premiums included in the budget. He said that the original charter application includes a reference to Pratt Insurance in Smyrna, Delaware, however, the Charter School Office does not have a copy on file. He said the school's response to the Preliminary Report must include a quote for the new location and a copy of what they should have had on file.

Mr. Carwell's recommendation is that this criterion is considered not met.

Criterion 12: Health and Safety. Dr. Bigelow said this criterion was reviewed by several reviewers and was considered met except for one reviewer which was transportation and that was not met.

Ms. McLaughlin said to be an accurate subsection (a) through (d) under Criterion 12 was considered met. She asked if they could have a brief discussion from (h) through (k) regarding transportation.

School Transportation. Dr. Bigelow said the reviewer noted the modification application states: "The students will be transported by school bus with a blend use of hub stops and student access needs. The 2013-14 contracts will be negotiated to include service at a rate not to exceed the state transportation allocation."

Dr. Bigelow said the reviewer stated that schools are to provide transportation for those students meeting the eligibility criteria in DOE Regulation 1105 and that those who reside in the same district as the school will receive the same level of transportation service that would be provided by that school district. Hub points may be established for those outside of the district where the school is located.

Dr. Bigelow said the Reviewer noted the present school appears to be located in an area where all students are eligible for transportation. The new school will be located in an area where some students might not be eligible for transportation. The school should evaluate the area and could also check with the local school district transportation staff for assistance in how they have defined eligibility zones in that same area. There could be a decreased number of students eligible, which would decrease the transportation funding available for the school.

Ms. McLaughlin's recommendation is that this criterion is considered partially met.

Ms. McLaughlin asked if there were any more questions or discussions under this section.

Ms. McLaughlin said for purposes of the Preliminary Report, her recommendation to the Committee is that the charter modification application for the Delaware Academy for Public Safety and Security Charter School be Not Approved. A vote was taken. Six ayes, none opposed, and none abstained.

Ms. McLaughlin asked Mr. Carwell to share next steps. Mr. Carwell reviewed the criteria before providing the next steps in the modification application process.

- *Criterion 8 – Economical Viability – Not Met*
 - *Criterion 9 – Administrative and Financial Operation – Partially Met*
 - *Criterion 10 – Insurance – Not Met*
 - *Criterion 12 – Health and Safety – Partially met*
- Final Meeting and Public Hearing will be determined at a later date; however it was noted that they would like to have everything concluded before the July 18, 2013 State Board.

Meeting adjourned.