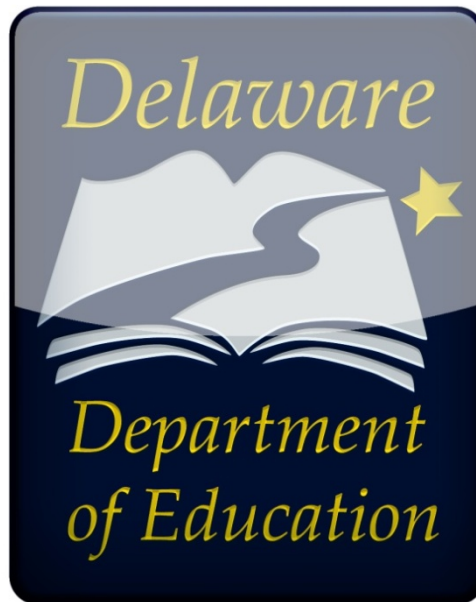


CHARTER SCHOOL ACCOUNTABILITY COMMITTEE

DELAWARE DEPARTMENT OF EDUCATION



PENCADER BUSINESS AND FINANCE CHARTER HIGH SCHOOL

FINAL REPORT

FORMAL REVIEW

FINAL MEETING

Opening Date: September 2006

Grades: 9 - 12

Location: New Castle County

September 30, 2012 Unit Count: 411

Date of Report: January 11, 2013

Background

The Pencader Business and Finance Charter High School (Pencader) opened in August, 2006 with 9th and 10th grades. The school is located in New Castle County, Delaware and is authorized to enroll 625 students in grades 9 through 12. The school's current enrollment is 411 students (as of September 30, 2012). Following is a summary of events relevant to the 2012 – 2013 Formal Review.

- On January 10, 2007, Pencader was placed on Formal Review for missed deadlines related to charter conditions, late or incomplete responses to requests for information made by the Department of Education (DOE), parent complaints about school climate, school operations, and management concerns. On May 17, 2007, Pencader was placed on Probation.
- On July 20, 2007, Pencader was further placed on Formal Review for its failure to fully meet the conditions of its charter with respect to a prior charter modification request and its probationary status.
- On January 14, 2010, the Secretary, with the consent of the State Board, decided to approve Pencader's charter renewal subject to specific conditions.
- During the 2009-10 school year, the Pencader Board had to secure a loan to close a financial shortfall.
- During the 2010-11 school year, the Charter School Office found potential issues with the school's building-level financial oversight procedures and discovered a financial shortfall in excess of \$600,000 for the operating year.
- On February 10, 2011, DOE staff met with Pencader representatives to reinforce the concerns and discuss the Formal Review process. Subsequently, the Pencader Board replaced its Board President and school leader to the address Board governance and administrative issues.
- On April 21, 2011, the school's charter was again placed on Formal Review. The Board had made budget reductions to reduce a budget shortfall; however, the root causes required further investigation.
- On June 10, 2011, the Charter School Accountability Committee convened for the Final Meeting of the Formal Review and recommended revocation of the charter.
- On August 18, 2011, the Secretary of Education decided that the school should remain open and be placed on probation subject to specific conditions.
- During the 2011-12 school year, Pencader made significant progress against the conditions of its probation with support from DOE. The probationary conditions required school finance and Citizen Budget Oversight Committee training for new Board members (provided by DOE). In addition, Pencader was required to submit monthly financial reports and attend monthly monitoring meetings with DOE to discuss the school's finances and administrative issues. However, a new pattern of Board and administrative dysfunction began to undermine the school's progress which led to a significant decrease in student enrollment and staff reductions.
- On September 25, 2012, Pencader's charter was placed on Formal Review (while on probation) to determine if the school was violating the terms of its charter due to new concerns with Board governance and administration; student performance, serving students with special needs; and economic viability.

The Charter School Accountability Committee (Committee) convened on:

- October 17, 2012 for the Initial Meeting with Pencader representatives
- November 26, 2012 for the Preliminary Meeting to review the relevant statutory criteria and make a preliminary recommendation to determine if the school was violating the terms of its charter.
- January 4, 2013 for the Final Meeting to make a recommendation about the status of the school's charter.

The Committee focused on the following statutory criteria at the Final Meeting.

- Criterion 1: Governance & Administration
- Criterion 3: Mission, Goals, Educational Objectives
- Criterion 6: Educational Program and Student Performance
- Criterion 7: Serving Students with Special Needs
- Criterion 8: Economic Viability
- Criterion 9: Administrative and Financial Operations.

Criterion 1: Governance and Administration

Based on the response submitted by Pencader after the Preliminary Meeting, the Committee discussed the submitted response and noted the following.

- The Pencader Board has been reconstituted and the experience of the new members adds value to the Board.
- The response did not contain any references to Pencader looking for best practices at high performing charter schools with similar missions nor demographics. Such schools are to be found in Delaware as well as nationally.
- A concern was raised relative to the MBA Research Curriculum program being implemented with fidelity as well as a concern if Pencader had networked with member schools. Financial implications to curriculum adoption were absent from Pencader's response.
- A concern about the lack of a concrete plan for training of Board members as noted in the Preliminary Report and not adequately addressed in the school's response. Pencader did not consider existing high-performing schools or any of the extensive research on this subject. The Charter Schools Office provided a list of resources to assist the Board with its planning.
- Pencader's plan for a new leadership structure has been effective at other schools; however, no mention was made about recruitment costs and no revised budget was submitted.
- Pencader failed to meet the December 1, 2012 deadline relative to documenting its tax-exempt status. Likewise, the 501(c)(3) document was not filed by the specified deadline.
- The Pencader response and the school's website were unclear about who are the Board members.
- The inclusion of a Board member who served on the Board of a charter school whose charter was revoked was not disclosed.
- The Board's proposed school leader recruitment plan is not sufficiently well designed or detailed to result in attracting strong viable leaders.

The Committee concluded that Criterion One remains not met.

Criterion 3: Mission, Goals and Educational Objectives

Based on the response submitted by Pencader after the Preliminary Meeting, the Committee noted the following.

- Pencader plans to develop a strategic plan that includes student development, goals, and objectives for meeting the school's mission.
- The response lacks goals and strategies for the MBA Research and Curriculum program and it is not clear how the program will be implemented at Pencader nor how it will advance the mission of the school. Additionally, adoption of the program involves two years of staff professional development for which there are fees, which are not incorporated into the school's budget.
- The student performance data included in the response contained inaccuracies and the data were often poorly presented.
- Overall, the response did not demonstrate strong analytic skills or an understanding of the analyses.
- Charter School Office staff shared with Pencader its academic performance results from the new Performance Framework (see Appendix B); however, the Pencader response did not reference these data. Although Pencader did not meet many of the academic indicators on the performance framework, the results could have been used as the basis for educational goals and objectives.
- Additionally, the SAT data and graduation rates appear to be inaccurate; the Advanced Placement data do not include comparisons or analyses to prior years; and the pass rates are quite low. Additionally, PSAT data went unreported to the State.
- The Pencader response demonstrated a lack of understanding between the Delaware Comprehensive Assessment System (DCAS) cut scores and standard scores. Inaccuracies in data analyses were apparent.
- The Pencader response showed the school as performing at a higher level than the State on DCAS assessments; however when the school's performance is compared to accurate State data, the State out-performed Pencader.
- Pencader leadership is in need of assistance in interpreting assessment data.
- Instead of clearly articulated goals, expectations, and educational outcomes, the response included words such as "hope to" or "expect to."
- There is little or no evidence of job-embedded, sustained professional development and walk-through observations conducted during Professional Learning Community time rather than classroom time.

The Committee concluded that Criterion Three remains not met.

Criterion 6: Educational Program

The Committee discussed Pencader's response to this criterion and made the following comments.

- During the Initial Meeting, the school representatives described Pencader's participation in the Vision Network; however, the response did not include any details about continued participation or how it will complement the MBA Research and Curriculum program.

- The Preliminary Report noted the Committee's concern about the impact of financial cuts on the educational program. The school's response to this Report indicated that "The Formal Review status does not seem to have impacted the students to any degree that is outwardly noticeable." Results from the teacher and student surveys included in the school's response indicate otherwise.
- The school's response aligned to the school's current performance agreement. The school did not reference its results on the Performance Framework that is now in use.
- In the response, Pencader noted that business students need skills in accounting and bookkeeping, not necessarily algebra and geometry. The Committee noted that students in high performing schools are required to take algebra and geometry.
- Concerns were noted about the low pass rates (38.5%) for Advanced Placement (AP) tests and that Pencader's pass rates are significantly below the State average. Additionally, fewer than half of the students in the AP classes take the test and that there are a considerable number of students scoring a one or two on the tests (based on a 1 to 5 scale).
- The Committee had questions about the fidelity of implementing the AP curricula and did not find any goals and initiatives to improve student learning and results in the response.
- The school conducted a student and teacher survey. In the response to DOE, Pencader included the results but not the questions.

The Committee concluded that Criterion Six remains not met.

Criterion 7: Serving Students with Special Needs

The Committee noted the following.

- This criterion was considered "not met" at the Preliminary Meeting primarily because of an administrative complaint filed with the DOE's Exceptional Children Resources Work Group.
- The concerns at the time centered on Pencader staff demonstrating a lack of understanding about when a student may evidence a disability that requires a special education evaluation. Under the Individuals with Disabilities Education Act (IDEA), the school has a duty to recognize when any student may be in need of special education services and/or need to be evaluated to determine if s/he is eligible.
- The school has provided evidence of a training program being in place for staff relative to special education requirements and an attorney, well-versed in educational programs, is available to the school.
- Additionally, the school has instituted a change of leadership within the special education program and it is clear through submitted documentation that the new leader for special education has an understanding of the requirements and the complaint process. This new leader is working with the teachers. Pencader plans to hire three additional Para-educators to support the special education teachers and to monitor practices.
- DOE will continue to monitor the school to assure that the new practices are implemented with fidelity and are sustained over time.
- Finally, in the complaint decision, DOE directed the school to institute the Instructional Support Team model that is a State requirement and used in many other states. This is a process to ensure that students are receiving a special education evaluation or intervention when needed.

The Committee concluded that Criterion Seven is met.

Criterion 8: Economic Viability

This criterion was deemed as “met” during the Preliminary Meeting; however, considering a new curriculum and organizational structure, the Committee had concerns about how these changes affect the school’s budget.

The Committee noted the following.

- The school’s response did not describe how the new curriculum, organizational structure, the AVID program (Advancement Via Individual Determination), and summer programs will impact the budget.
- Litigation concerning special education issues is being settled and Pencader may need funds for additional services to students; however, the school could use existing teachers instead of out-sourcing these services.
- The Board ought to have provided a new budget; have been more proactive; and made certain to communicate any new data.
- There is not a clear plan for student recruitment. Considering recent events, Pencader needs a very clear process to recruit students and thus increase revenue to the school.

The Committee concluded that Criterion Eight is met with a condition.

In the event that the charter is not revoked, Pencader shall provide a revised budget to clearly delineate how the school will remain financially viable based on existing costs, projected additional costs, any changes to the staffing structure, as well as a realistic appraisal of student recruitment efforts to increase student enrollment.

Criterion 9: Administrative and Financial Operations

The Committee noted the following.

- Although the Committee requested at the Initial Meeting that the Board and the school involve parents to increase transparency in communication, the response did not indicate involvement of parents.
- A concern about the lack of a concrete plan for student recruitment. The school’s response provided some action steps and a brochure but did not include any measurable goals to evaluate the effectiveness of the recruitment efforts and there was no mention of what outreach has worked in the past.
- The Committee noted little evidence of parental involvement; recruitment events not being well attended; and a lack of information about the recruitment events themselves, e.g., how the school notifies parents about the events and the school’s current status.

The Committee concluded that that Criterion Nine is not met.

Summary and Recommendations

- Criterion 1: Governance & Administration – NOT MET
- Criterion 3: Mission, Goals, Educational Objectives – NOT MET
- Criterion 6: Educational Program and Student Performance – NOT MET
- Criterion 7: Serving Students with Special Needs – MET
- Criterion 8: Economic Viability – MET WITH A CONDITION
- Criterion 9: Administrative and Financial Operations – NOT MET

The Charter School Accountability Committee recommended that the charter for Pencader Business and Finance Charter High School be revoked.

Appendix A

List of Attendees

Final Meeting of the Charter School Accountability Committee

January 4, 2013

Formal Review: Final Meeting

Pencader Business and Finance Charter School

Voting Members of the Committee

- Karen Field Rogers, Manager, Financial Reform & Resource Management; Interim Chairperson
- Debora Hansen, Education Associate, Visual and Performing Arts; Charter School Curriculum Review
- Paul Harrell, Director of Public and Private Partnerships
- April McCrae, Education Associate, Education Associate, Science Assessment and STEM
- Jennifer Kline, Esq., Education Associate, Procedural Safeguards and Monitoring

Staff to Committee

- John Hindman, Deputy Attorney General, Counsel to the Committee
- John Carwell, Director, Charter School Office
- Patricia Bigelow, Education Associate, Charter School Office
- Chantel Janiszewski, Education Associate, Charter School Office

Representatives from Pencader Charter School

- Frank McIntosh, Board President
- W. Daniel Young, Board Member and Vice-President
- Steven Quimby, Head of School
- Tami Koss, Assistant Head of School
- Barry Willoughby, Attorney for the School
- Jane McGonegal, Innovative Schools

Additional Attendees

- Amber Cooper, Office of Management and Budget
- Leighann Hinkle, Office of Management and Budget
- Donna R. Johnson, Executive Director, State Board of Education
- Kendall Massett, Executive Director, Delaware Charter Schools Network

Delaware Academic Performance Framework Charter Report Pencader Business and Finance ID#582

For each measure, a school receives one of four ratings:

<i>Exceeds Standard</i>
<i>Meets Standard</i>
<i>Does Not Meet Standard</i>
<i>Falls Far Below Standard</i>

Rating targets for each measure may be referenced on the attached Academic Performance Framework.

Each measure is weighted to provide an overall cumulative rating for the school on Academic Performance. School performance on each measure is presented below.

1. STUDENT PROGRESS OVER TIME (GROWTH)

Measure 1a. Are students meeting their fall to spring instructional scale score growth targets?

Percentage of Students Meeting Growth Targets.

Subject	2010-11	2011-12
Math	32.5%	50.9%
ELA	38.5%	56.7 %

Measure 1b. Are lowest-performing students in the school meeting their fall to spring instructional scale score growth targets?

Percentage of Students in the Lowest Quartile Meeting Growth Targets.

Subject	2010-11	2011-12
Math	43.2%	75.0%
ELA	33.3%	71.9%

Measure 1c. Are students making enough annual growth to maintain or achieve proficiency status within 3 years or by 10th grade?

Percentage of Students Making Sufficient Growth.

Subject	2010-11	2011-12
Math	40.3%	60.9%
ELA	42.4 %	58.2%

2. STUDENT ACHIEVEMENT (STATUS)

Measure 2a. Are students achieving proficiency on state examinations in math and reading?

School Proficiency Scores, State Averages and Percentiles

Subject and Year	School Prof %	State Average	State 90th Percentile	State 20th Percentile
Math, 2010-11	44.4%	60.5%	80.6%	40.8%
Math, 2011-12	56.2%	72.4%	90.7%	53.2%
ELA, 2010-11	44.4%	60.4%	80.4%	44.5%
ELA, 2011-12	60.6%	69.7%	89.3%	53.2%

Measure 2b. Are students in demographic subgroups achieving proficiency on state examinations in math and reading?

NOTE: If a total subgroup population at a school was below 30, results are not reported and are presented as a ***.

Low Socio-Economic Status

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	33.3%	47.2%	76.1%	29.6%
Math, 2011-12	43.9%	61.5%	86.3%	43.5%
ELA, 2010-11	31.0%	46.8%	73.4%	34.0%
ELA, 2011-12	48.6%	57.9%	83.4%	42.1%

Students with Disabilities

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	3.0%	20.9%	52.7%	3.3%
Math, 2011-12	***	N/A	N/A	N/A
ELA, 2010-11	***	N/A	N/A	N/A
ELA, 2011-12	***	N/A	N/A	N/A

English Language Learners

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	***	N/A	N/A	N/A
Math, 2011-12	***	N/A	N/A	N/A
ELA, 2010-11	***	N/A	N/A	N/A
ELA, 2011-12	***	N/A	N/A	N/A

African-American

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	35.6%	43.6%	74.8%	26.6%
Math, 2011-12	48.3%	58.1%	84.8%	39.3%
ELA, 2010-11	35.0%	44.4%	73.8%	32.1%
ELA, 2011-12	54.6%	55.1%	85.9%	40.8%

Asian-American

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	***	N/A	N/A	N/A
Math, 2011-12	***	N/A	N/A	N/A
ELA, 2010-11	***	N/A	N/A	N/A
ELA, 2011-12	***	N/A	N/A	N/A

Hispanic

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	***	N/A	N/A	N/A
Math, 2011-12	***	N/A	N/A	N/A
ELA, 2010-11	***	N/A	N/A	N/A
ELA, 2011-12	***	N/A	N/A	N/A

Multiracial

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	***	N/A	N/A	N/A
Math, 2011-12	***	N/A	N/A	N/A
ELA, 2010-11	***	N/A	N/A	N/A
ELA, 2011-12	***	N/A	N/A	N/A

Other Minorities

Subject and Year*	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2011-12	77.4%	84.7%	100.0%	70.3%
ELA, 2011-12	58.1%	78.6%	100.0%	58.3%

*Other Minorities was first reported in 2011-12.

White

Subject and Year	School Proficiency Rate	State Average Proficiency Rate	State Proficiency Rate at 90th Percentile	State Proficiency Rate at 20th Percentile
Math, 2010-11	61.2%	71.2%	85.4%	53.0%
Math, 2011-12	71.1%	81.7%	93.1%	68.1%
ELA, 2010-11	65.7%	71.6%	85.0%	60.1%
ELA, 2011-12	79.1%	80.2%	95.2%	67.8%

Subgroup Summary

Year	Low-SES		EL		SWD		African-American		Asian-American		Hispanic		Multiracial		Other Minorities		White		OVERALL RATING	
	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA
10-11	D	F	***	***	F	***	D	D	***	***	***	***	***	***	***	***	D	D	D	F
11-12	D	D	***	***	***	***	D	D	***	***	***	***	***	***	D	F	D	D	D	D

Measure 2c. Are students performing well on state examinations in math and reading in comparison to other schools in the district?

School Proficiency Compared to Home District Proficiency

Subject and Year	School Prof %	District Comparison
Math, 2010-11	44.4%	52.3%
Math, 2011-12	56.2%	63.6%
ELA, 2010-11	44.4%	56.2%
ELA, 2011-12	60.6%	60.0%

Measure 2d. Are students performing well on state examinations in math and reading in comparison to similar schools in the state?

School Proficiency Compared to Similar Schools Proficiency

Subject and Year	School Prof %	Similar Schools Prof%
Math, 2010-11	44%	48%
Math, 2011-12	58.6%	74.7%
ELA, 2010-11	44%	54%
ELA, 2011-12	61.5%	72.9%

3. STATE AND FEDERAL ACCOUNTABILITY

Measure 3a. Did the school make AYP?

Year	AYP Status
2010-11	Meets
2011-12	Meets

4. POST-SECONDARY READINESS (Only for High Schools)

Measure 4a. Does students' performance on the SAT reflect college readiness?

Percentage of Students receiving a 1550 or better on the SAT

Year	SAT High Score %
2010-11	50%
2011-12	25.86%

***10-11 2 students tested/11-12 30 students tested

Measure 4b. Are students graduating from high school?

Four-Year Cohort Graduation Rate

Year	Graduation Rate
2010-11	84.7%
2011-12	86.1%

5. MISSION-SPECIFIC ACADEMIC GOALS (OPTIONAL)**Measure 5a. Is the school meeting mission-specific academic goals?**

Year	Met Mission-Specific Academic Goals?
2010-11	N/A
2011-12	N/A

SUMMARY AND OVERALL RATING**Pencader Business and Finance Charter High School**

Year	1.a. Growth		1.b. Bottom 25%		1.c. Growth to Prof		2.a. Prof		2.b. Overall Subgroup		2.c. District		2.4. Similar Schools		3.a. AYP	4.a. SAT	4.b. Grad Rate	5.a. Mission Specific	OVERALL RATING
	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA	Math	ELA					
10-11	F	F	D	F	F	F	D	F	F	F	D	D	D	D	M	M	M	N/A	D
11-12	D	D	M	M	D	D	D	D	D	D	D	M	F	D	M	D	M	N/A	D