



Academy of Dover Charter School

“A Small School with a Big Vision”

104 Saulsbury Road ~ Dover, DE 19904
302.674.0684 ~ 302.674.3894 Fax

May 13, 2016

Jennifer M. Nagourney, J.D
Executive Director, Charter School Office
Delaware Department of Education

Dear Ms. Nagourney,

Thank you for the Charter Renewal Report dated April 30, 2016. We will take this opportunity to respond to the report.

Academic Performance

Over the last five years AOD has worked extensively to address the challenges of sustaining instructional growth for our school. During this period of time, the basis for this foundation has been to align both our curriculum and instructional priorities to the Common Core Standards. Through this effort, AOD feels that moving forward it will increase student performance across all of its area sub groups as well as provide the necessary sustainability for its students to reach their instructional growth targets in the areas of Math and ELA for each academic school year.

Based on the school assessment data for the last five years, the number one priority for AOD will be to address the instructional needs in the area of Math. Since 2011, student growth performance in Math has fluctuated between slight improvements to significant regression in comparison to other subgroups within the frameworks. Therefore, increasing student growth in Math is a top priority. In the area of Reading, AOD was able to meet a number of performance criteria related to academic performance, however, the trends for Student Growth and the area of Growth to Proficiency have shown a decline in student performance over the last three years. In order to meet the necessary instructional challenges to increase student growth performance for both ELA and Math, the school is putting forth a number of significant changes in order to meet the demands of all of its students. Actions that have been taken to increase student performance include:

- Creating a position of Math Interventionist who works with Tier 3 RTI students to provide further focus on areas of need
- Creating an afterschool Smarter Balanced Boot Camp for an eleven week period
- Creating schoolwide curriculum maps in all core subjects and working to locate and fill in gaps

Beginning with the 2016 school year, AOD will implement the following changes to the curriculum:

- Implementing the use of the Scholastic Math Inventory (SMI) which will replace the current Math IXL program
- Implementing a new Reading Series (Wonders) for all grades K-5

AOD will also be looking at best practices and models to better meet the instructional needs of students in the areas of math and ELA. Since Jan of this year, the staff has been having dialogue relating to best practices that can support students who are low achievers. Part of this conversation has been to provide as much information as possible to identify the best practices relating to the use of Explicit Instruction as well as Differentiated Instructional Models to make better connections with students during instruction. AOD will be continuing its effort to obtain the necessary training for staff members to add these instructional tools to their classroom.

Moving forward in this process for next year, the staff of AOD feel that the initiatives that have been put into place this year, as well as the upcoming initiatives for the next school year, will provide our students with the opportunity to not only obtain the target growth goals for the state assessments but to also sustain this effort year in and year out. AOD will continue to implement, evaluate, and make the necessary adjustments to this plan, based on the performance of our students.

Organizational Performance

During the 2014-15 school year, AOD underwent a leadership change. An interim Head of School was brought in while the Board conducted a Head of School search. A replacement was named in February 2015. Incidences that occurred during the 13-14 school year were made public with the release of the Auditor's Report in June 2015. The findings in this report had a major impact in the school's organizational framework over the last two years, which resulted in an overall rating of "Does Not Meet Standard".

Below is our response to the Non-Material Violations cited in the Renewal Report.

1. During the 11-12 and 12-13 school years, AOD did not meet standards with the attendance goals at 95%. Starting in the 13-14 school year, AOD began sending home truancy notices to students who reached a minimum of 10 unexcused absences. The attendance policy was revised and has since been adhered to. Because of this change in policy, AOD has met this requirement the last two years.
2. AOD did not meet the staff credentialing requirement during the 14-15 school year. Only 93.5% of staff met the Highly-Qualified status. This is due to the fact that one teacher, whom was hired in November 2014, did not hold the HQT status. This teacher has since completed the necessary Praxis 2 assessment and AOD currently holds a HQT status of 100%.
3. In 2013, AOD did not submit a Comprehensive School Safety Plan. During the 14-15 school year, a new School Safety Plan was created and submitted to the Department of Homeland Security. Each year, AOD reviews and makes necessary changes to the plan in the ERIP system.

Below is our response to the Material Violations as cited in the Renewal Report.

1. The release of the Auditor's Report in June 2015 revealed AOD had poor internal controls. The Board of Directors and the Head of School worked with the Division of Accounting during the 2015-16 school year to create an Internal Controls Policy. This policy has been approved by the Division of Accounting. A Payroll Internal Control Plan was also created and approved. Given the financial situation the school

was in, the Board of Directors and the new Head of School participated in Board Training by the Delaware Alliance for Nonprofit Advancement (DANA), and Public Integrity Training (PIC) in August of 2015. The Board has a better understanding of its responsibility to the school, students, parents and staff. The Board of Directors also created a permanent Board Oversight Compliance Committee that meets quarterly to review policies and procedures. This committee shares a report with the entire Board after their quarterly meetings.

2. A Citizen's Budget Oversight Committee did not exist at AOD until the spring of 2015. Once the committee of seven members was established, the committee began to meet monthly prior to the regular Board meetings. The CBOC agendas are posted on the school's website as well as a meeting notice posted at the school one week prior to the meeting. The CBOC meeting minutes are also up to date and posted on the website.
3. AOD did not receive the 2014 Annual Audit Report until June of 2015. This was due to the fact that the Auditor's office was working on the issues revealed in their report regarding the misuse of funds over a three year period. Because of the delay in the Audit Report being finalized, AOD was not in compliance with submitting and reporting the completed Audit in time. In June 2015, AOD submitted both the 2014 and 2015 Audit Reports. These were also posted on the school's website.
4. Starting in the 15-16 school year, the Head of School will be evaluated annually by members of the Board of Directors. AOD uses the Delaware Performance Appraisal System (DPAS II) through the DDOE to conduct this evaluation. Upon completion of the administrator's evaluation, the Board President will submit a letter to the DDOE which certifies that the evaluation of performance was completed.
5. During the 13-14 school year, the Consolidated Grant was not submitted on time. The Head of School at that time had undergone some health issues. The Department of Education called the school and spoke to the Assistant Principal regarding the grant. It was at that time the Assistant Principal (now the current Head of School) gained access to the grant and completed it and submitted it to the DOE. Every year, the Consolidated Grant will be submitted in a timely fashion and follow the deadlines provided by DOE.

Financial Performance

The following narrative outlines the current financial conditions that Academy of Dover is working to resolve.

One major factor, which had an effect on a number of the financial frameworks is the Mosaica Settlement. The outstanding loan to Mosaica Education Inc. had remained dormant for a significant number of years. On May 9, 2008, an arbitrator found in favor of Mosaica and granted an award of \$962,724.68 with interest and costs to accrue. The original debt of \$962,724.68 had increased to \$2,019,956.30 due to accrued interest and other charges until a settlement was reached in June 2015. During the negotiations, the total judgement was reduced to \$650,000.00. The first two payments which amounted to \$350,000 were paid in June 2015 and another payment of \$150,000 was made in July 2015. The final three payments of \$50,000 each shall be paid no later than July 31st each year, with the next payment scheduled for July 31, 2016. The result of this agreement has reduced the Academy of Dover's only debt from over \$2,000,000.00 to a current amount of \$150,000.00 which should have a positive impact on several of the financial indicators.

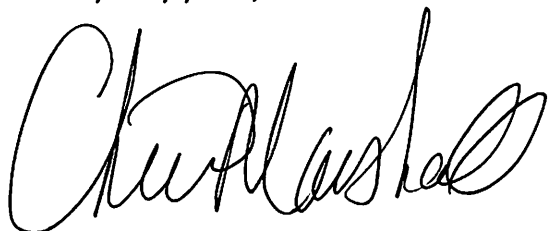
The total payment of \$500,000 to Mosaica during the past year was taken from our local reserves which has a negative impact on several of the financial indicators. For example, the Academy of Dover could have met the 60 day threshold for cash on hand without the Mosaica payment. There is a current review of the budget to reduce some expenses without affecting the academic program for our students. The largest non-salary expense is building rent. There are current negotiations with the owner to reduce this expense in the future. There were additional legal fees during the Mosaica issue as well as additional audit fees which should be reduced in the future.

The latest available budget report for the current fiscal year as of March 31, 2016 is posted on our website. This budget reflects the fact that the Academy of Dover Charter School is able to operate within its current revenue. The only exception is the use of local reserves for the \$150,000 payment to Mosaica during the 2016 Fiscal year.

The current administration of the Academy of Dover inherited the Mosaica loan obligation as well as the other financial problems and are working to place the Academy of Dover on a firm financial foundation for the future. It will require time to restore our local fund reserves in order to satisfy all of the indicators in the State of Delaware's Financial Framework Report, and we are on track to meeting these goals if our student enrollment remains stable.

Academy of Dover looks forward to a successful Charter Renewal Process. Please do not hesitate to contact us if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Cheri Marshall". The signature is fluid and cursive, with a large initial "C" and "M".

Cheri Marshall, Head of School
Academy of Dover