



2012-13 Charter Renewal Report

Community Academy Public Charter School

March 11, 2013

DC Public Charter School Board
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RECOMMENDATION

Public Charter School Board (“PCSB”) staff reviewed Community Academy Public Charter School’s (“CAPCS”) charter against the School Reform Act’s renewal criteria and found that CAPCS as a Local Education Agency (LEA) did not meet the goals and academic achievement expectations as set forth in its charter.

CAPCS LEA consists of five campuses of widely varying academic quality. Our review found that, were Amos 3, CAPCS’ lowest performing campus, was excluded from the analysis, the LEA would have met the goals and academic achievement expectations as set forth in its charter.

With respect to the non-academic renewal criteria of compliance and fiscal performance staff found that the CAPCS charter did meet the standards for renewal.

Staff therefore recommends that the CAPCS charter be renewed, but on the condition that the Amos 3 campus close at the end of school year 2014 if it does not achieve a PMF score of 40 for the 2012-13 school year.¹

EXECUTIVE SUMMARY

CAPCS began operating in 1998 under the chartering authority of the District of Columbia Board of Education (“DC BOE”) and is currently in its fifteenth year of operation. The CAPCS LEA is currently composed of five campuses, detailed in the table below.

Campus	Year Opened	Grades Served	2012-13 Student Enrollment	2010-11 PMF Percentage	2011-12 PMF Percentage
Amos 1	1997	PK3-5	510	44.8%	48.7
Amos 2	2005	PK3-Kindergarten	280	Early Childhood Campus – No PMF %	Early Childhood Campus – No PMF %
Amos 3	2008	2012-13: PK3-8 2013-14: PK3-6	479	29.7%	35.4%
Butler	2004	2012-13: PK3-5	308	76.2%	65%
CAPCS Online	2003	K-8	120	64.1%	55.4%
Rand	2003 <i>School closed in 2012</i>	PK3-5	N/A	19.5%	

¹ In school year 2011-12, the CAPCS LEA would have met the charter sector average for DC-CAS performance if 54.5% of Amos 3 students had scored proficient or advanced in reading, and 42.5% had scored proficient or advanced in math. Amos 3’s 2011-12 PMF score when calculated using these proficiency rates (with all other factors held constant) would have been 40.8.

In 2002-03, when only the Amos 1 campus was operating, the DC BOE conducted a five-year review of the school and recommended that it should continue operating, noting that “...student achievement has shown improvement over the five-year period.”² After that review, over the next five years, CAPCS opened five additional campuses: Amos 2, Amos 3, Butler, CAPCS Online, and Rand.

In 2008, after the passage of the Public Education Reform Amendment Act dissolved the DC BOE, PCSB became the authorizer for CAPCS. In November 2011, PCSB conducted a review of the school, and concluded that, along with violating terms of its charter,³ CAPCS had failed to meet the goals and student academic achievement expectations (“goals and expectations”) it had chartered to (PCSB cited the Rand campus’ academic performance as the basis for this finding). Based on this review, in December 2011 the PCSB Board voted to propose revocation of CAPCS’ charter.⁴ In February 2012, the CAPCS Board voted to close the school’s Rand campus, and the PCSB Board voted to accept this closure.⁵ In March 2012, after receiving CAPCS’ closure plan for the Rand campus, the PCSB Board voted to not revoke the school’s charter.⁶

With the Butler campus’ lease expiring, and no option to renew it, CAPCS plans for school year 2013-14 to co-locate its Butler campus and Amos 3 campus in the building currently housing Amos 3. The two campuses will have separate staffs, be in physically distinct locations of the building, and maintain and submit to PCSB and in state and federal reports, distinct and unique performance, attendance, and discipline data. CAPCS also no longer will offer six, seventh, and eighth grades at its Amos 3 campus.

On July 1, 2013, CAPCS’ charter will expire, and it has submitted an application to renew its charter for another fifteen-year term. As part of the renewal process, PCSB must assess whether CAPCS has: (1) met the goals and expectations included in its Charter; (2) remained materially compliant with applicable laws; and (3) managed its finances effectively and remained economically viable.⁷

PCSB has conducted this assessment and determined that CAPCS has substantially met its goals and student academic achievement expectations — except at its Amos 3 campus. The following report details this finding, and also assesses CAPCS’s legal compliance and fiscal management over the course of its Charter.

² See CAPCS Five-Year Review, attached to this document as Appendix A.

³ PCSB found that it had violated the terms of its charter by “...engaging the services of a charter management organization and changing the academic focus of campuses without an approved charter amendment, changing the name of the organization without timely notification to [] PCSB, and operating in school facilities without proper certification to ensure the health and safety of its students.” Board Action Proposal, December 19, 2011, attached to this document as Appendix B.

⁴ PCSB Board Minutes, December 19, 2011, attached to this document as Appendix C.

⁵ PCSB Board Minutes, February 27, 2012, attached to this document as Appendix D.

⁶ PCSB Board Minutes, March 12, 2012, attached to this document as Appendix E.

⁷ See DC Code § 38-1208.12(a)(3).

GOALS AND ACADEMIC ACHIEVEMENT EXPECTATIONS

The District of Columbia School Reform Act (“SRA”) provides that PCSB shall not approve a charter renewal application if it determines that the school has failed to meet its goals and expectations set out in its charter agreement.⁸ Goals are general aims, usually to the mission of the charter, which may be categorized as academic, non-academic, and organizational. Expectations are student academic aims measured by assessments. Goals and expectations are only considered as part of the renewal decision if they were included in a school’s charter agreement, charter amendment, or Accountability Plans approved by the PCSB Board (collectively, the “Charter”).

CAPCS detailed eighteen goals in its charter application, sixteen of which are included in the chart below.⁹ However, some of these goals were removed, others modified, and others further detailed while under the authority of the DC BOE.¹⁰ For purposes of this review, PCSB analyzed the goals included in the school’s charter application and which the school consistently pursued over the course of its Charter. For goals and expectations that were not consistently pursued over the course of the school’s Charter, it is noted in the chart below that they were “not historically measured.” The chart below summarizes these goals and PCSB’s determinations of them, which are detailed in the body of this report.

	Goal or Expectation	Met?
1	Students who have attended CAPCS for two years will acquire skills in reading, writing, verbal proficiency and math that meet or exceed those of students in DC.	Yes
2	Students who have attended CAPCS for five years will meet or exceed national and international expectations at the world's top K-12 schools.	Not historically measured
3	CAPCS will demonstrate that a diverse population of urban students can be educated to the level of academic achievement traditionally associated with private, college preparatory schools.	No (Yes if Amos 3 were removed)
4	CAPCS will demonstrate student improvement on standardized test scores that equal or exceed schools with comparable student populations.	No (Yes if Amos 3 were removed)
5	Students will participate in community service activities.	Yes
6	Students will participate regularly in at least two non-	Yes

⁸ SRA §38-1802.12(c)(2).

⁹ The two goals not included relate to finance and governance, both of which are discussed later in this report.

	academic activities each year.	
7	Students will understand and demonstrate a commitment to the school's core principles.	Not historically measured
8	CAPCS will have a higher rate of attendance than traditional DCPS schools.	Partially
9	CAPCS will have a higher staff attendance rate than traditional DCPS schools.	Not historically measured
10	CAPCS will have a higher rate of parent participation than DCPS.	Not historically measured
11	CAPCS will integrate high levels of technology into its learning program, to prepare children for the 21st century.	Not historically measured
12	CAPCS will provide professional opportunities for teachers and create opportunities to tap the expertise and experience of qualified professionals currently excluded from the public school system.	Yes
13	CAPCS will increase the minimum number of school days from the traditional 180 days to at least 210 days per year.	Not historically measured
14	The school day will be extended beyond the traditional 8:00am-3:00pm schedule. CAPCS will be open at a minimum from 7:30am-8:30pm offering students and their families education, enrichment, job training, recreational and other opportunities.	Not historically measured
15	CAPCS will offer tutoring and mentoring opportunities for children.	Yes
16	CAPCS will offer several special programs to assist high schools students pursuing careers in computer and automotive technology.	Not historically measured

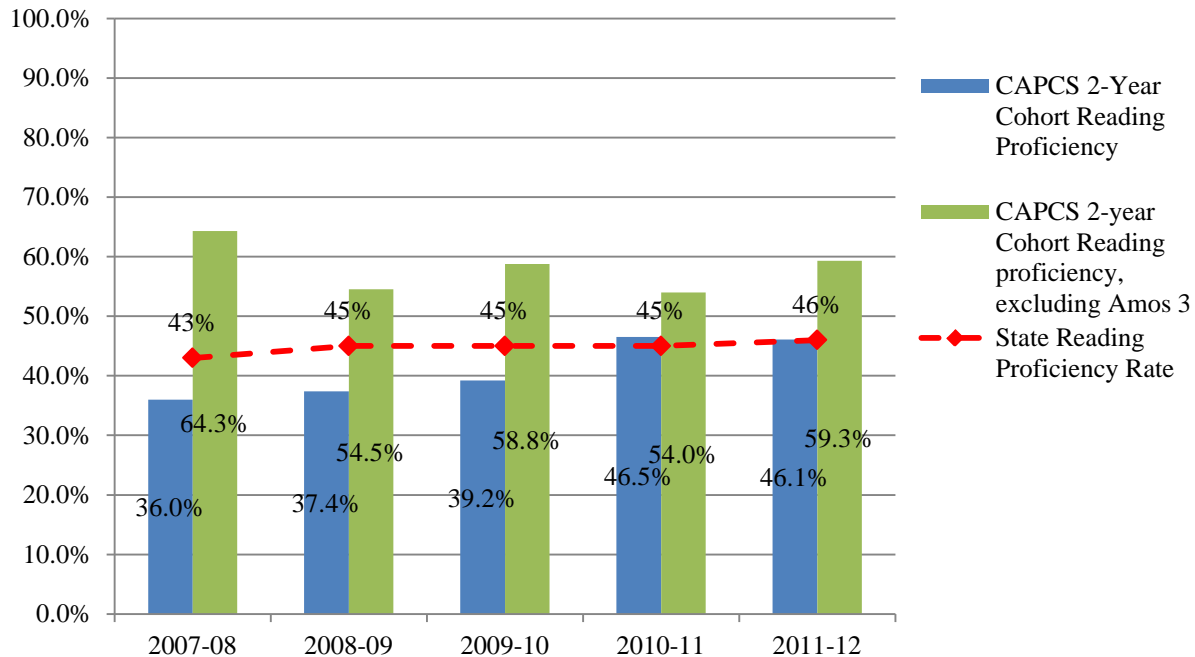
1. Students who have attended CAPCS for two years will acquire skills in reading, writing, verbal proficiency and math that meet or exceed those of students in DC.

Assessment: **Community Academy PCS has met this goal.**

As part of CAPCS’ fifth-year review, the DC BOE determined that the school had “mixed results” in pursuing this goal, noting that “[CAPCS] has not disaggregated data for analysis and display of correlations between length of enrollment and achievement...” In its renewal application, CAPCS indicated that this goal could be assessed by comparing the DC-CAS proficiency rates of students that attended CAPCS for two years to the statewide proficiency rate. PCSB conducted such an analysis, and detailed its results in the charts below.

CAPCS’ LEA-wide 2-year cohort reading proficiency rate (detailed in the chart below by the blue bars) has exceeded the state average in the past two years. This proficiency rate includes performance from students enrolled for 2 consecutive years at any CAPCS campus. CAPCS’ LEA-wide cohort proficiency rate increases when the proficiency rates from the school’s closed Rand campus, as well as Amos 3, CAPCS’ lowest performing campus, are not considered (this rate is detailed in the chart below by the green bars).

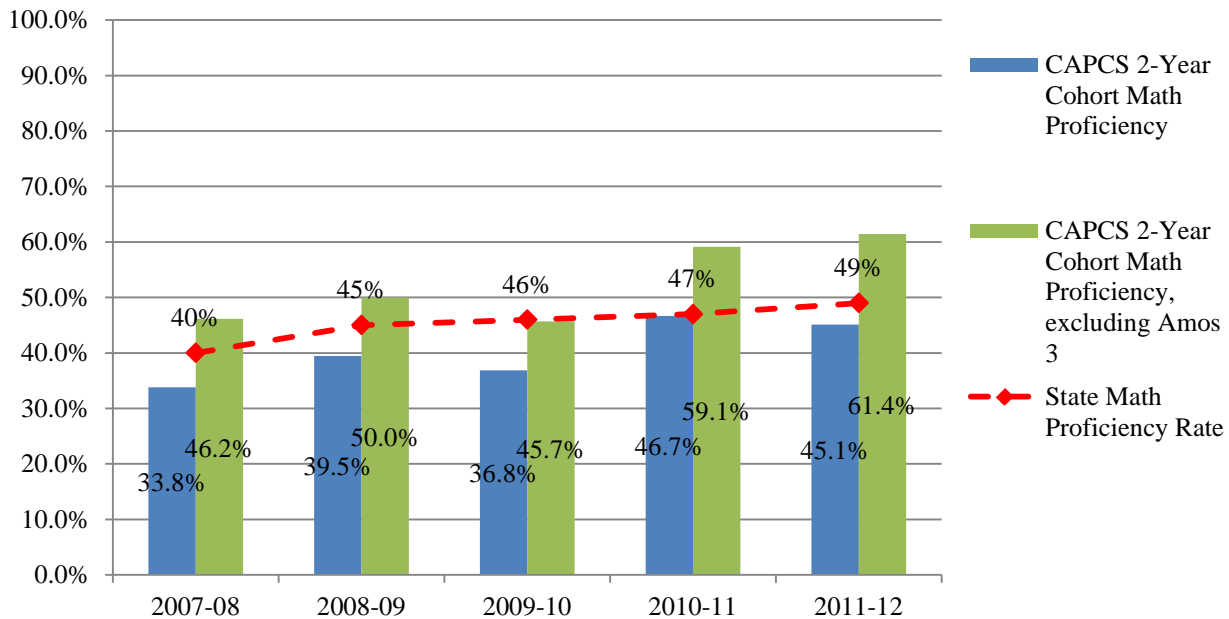
CAPCS LEA 2-Year Cohort DC-CAS Reading Proficiency Rates



CAPCS' LEA-wide 2-year cohort mathematics proficiency rate (detailed in the chart below by the blue bars) has been below the statewide proficiency rate since 2007-08. This proficiency rate includes performance from students enrolled for 2 consecutive years at any CAPCS campus.

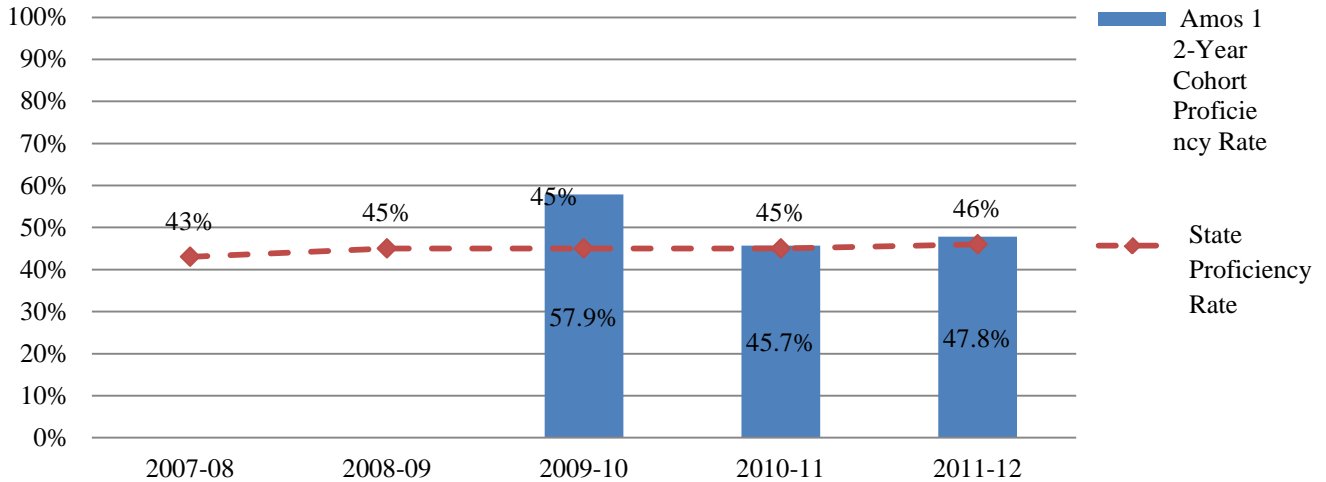
CAPCS' LEA-wide 2-year cohort proficiency rate increases when the proficiency rates from Amos 3, CAPCS' lowest performing campus, are not considered (this rate is detailed in the chart below by the green bars).

CAPCS LEA 2-Year Cohort DC-CAS Math Proficiency Rates



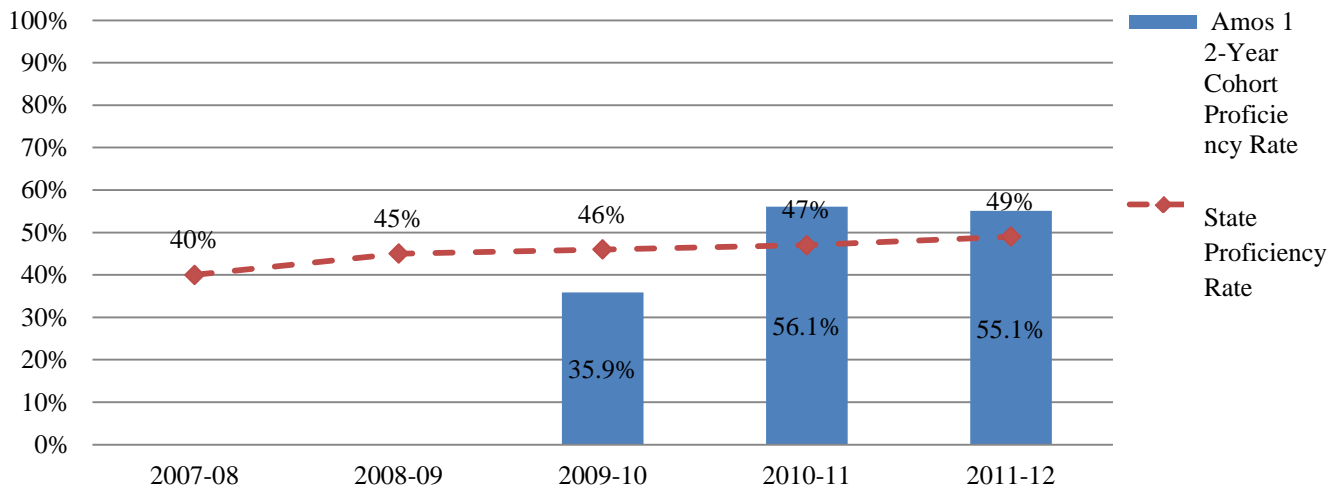
Amos 1 has had a reading proficiency rate higher than the statewide average since 2009-10.

Amos 1 2-Year Cohort DC-CAS Reading Proficiency Rate



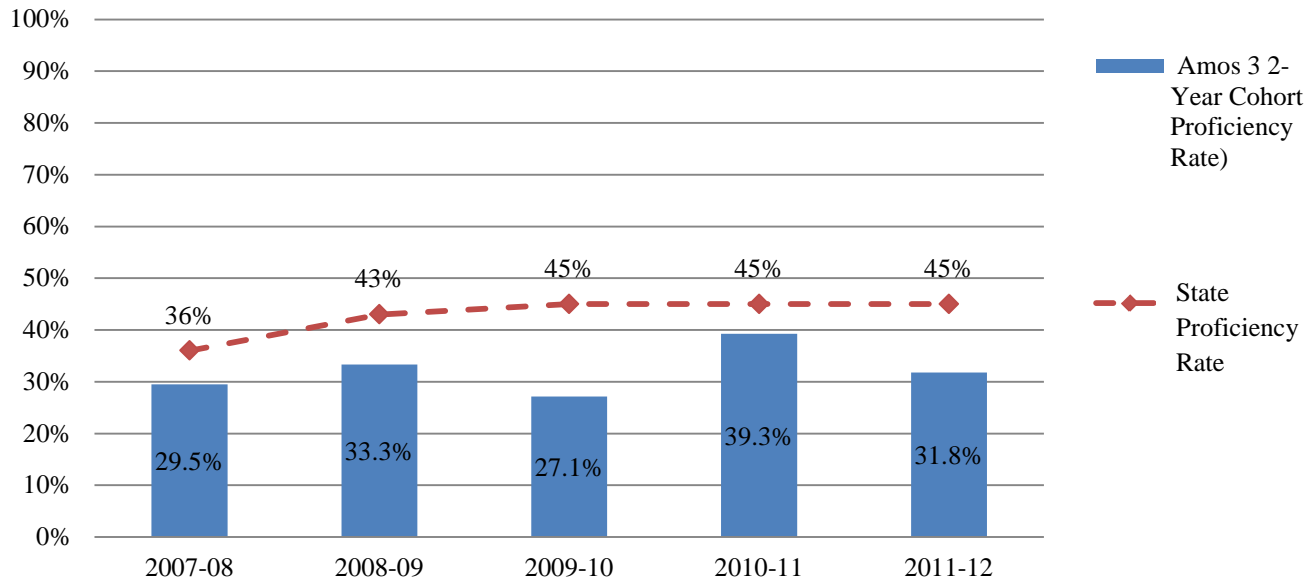
Amos 1 has had a math proficiency rate higher than the statewide average since 2010-11.

Amos 1 Two-Year Cohort DC-CAS Math Proficiency Rate



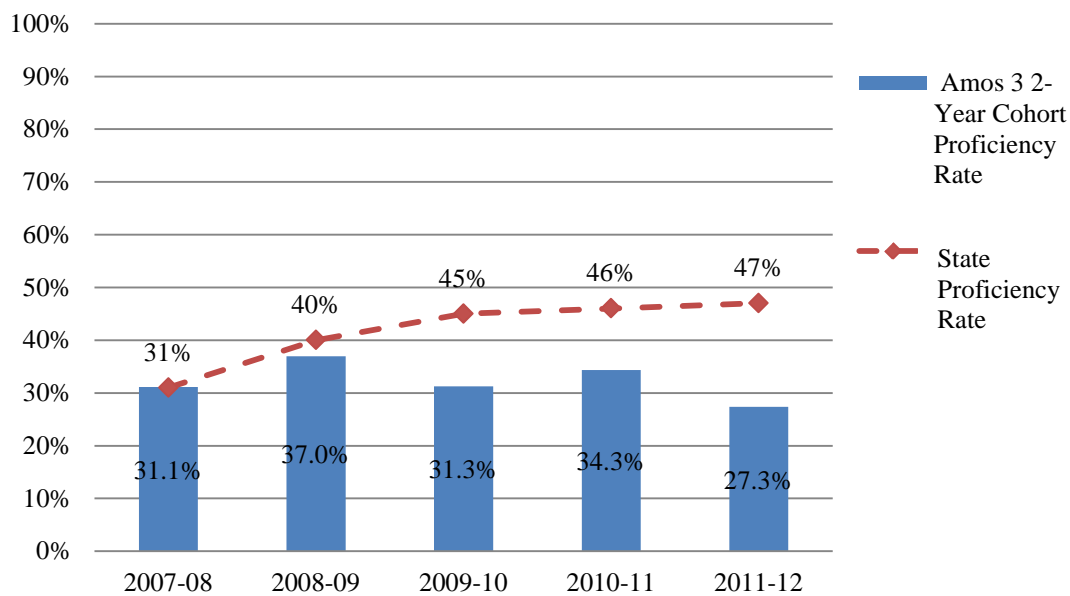
Amos 3 has had a reading proficiency rate lower than the statewide average since 2007-08.

Amos 3 Two-Year Cohort DC-CAS Reading Proficiency Rate



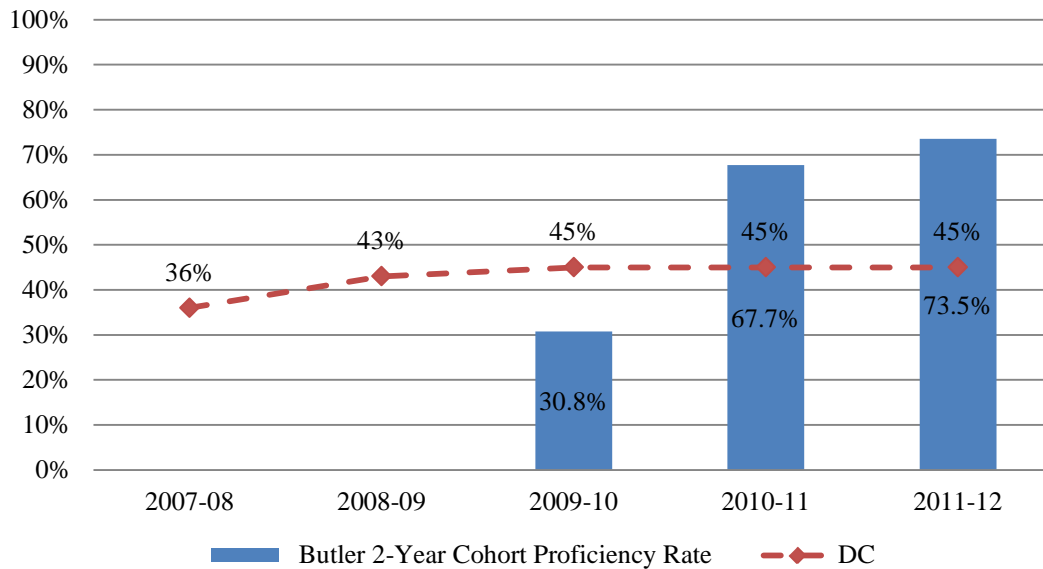
Amos 3 has had a reading proficiency rate lower than the statewide average since 2008-09.

Amos 3 Two-Year Cohort DC-CAS Math Proficiency Rate



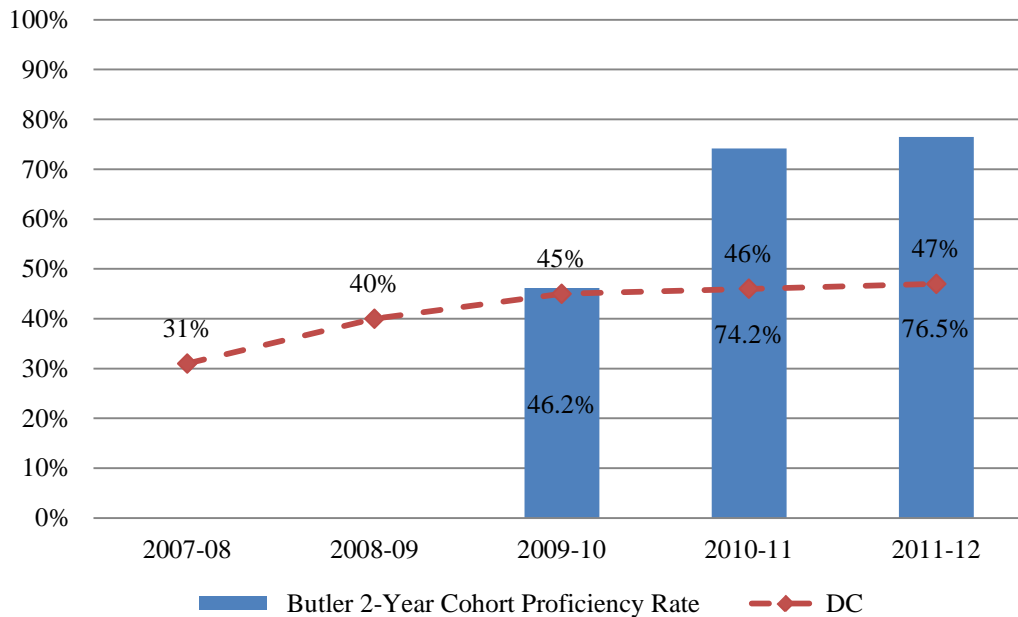
Butler has had a reading proficiency rate higher than the statewide average for two of its three years in operation.

Butler Two-Year Cohort DC-CAS Reading Proficiency Rate



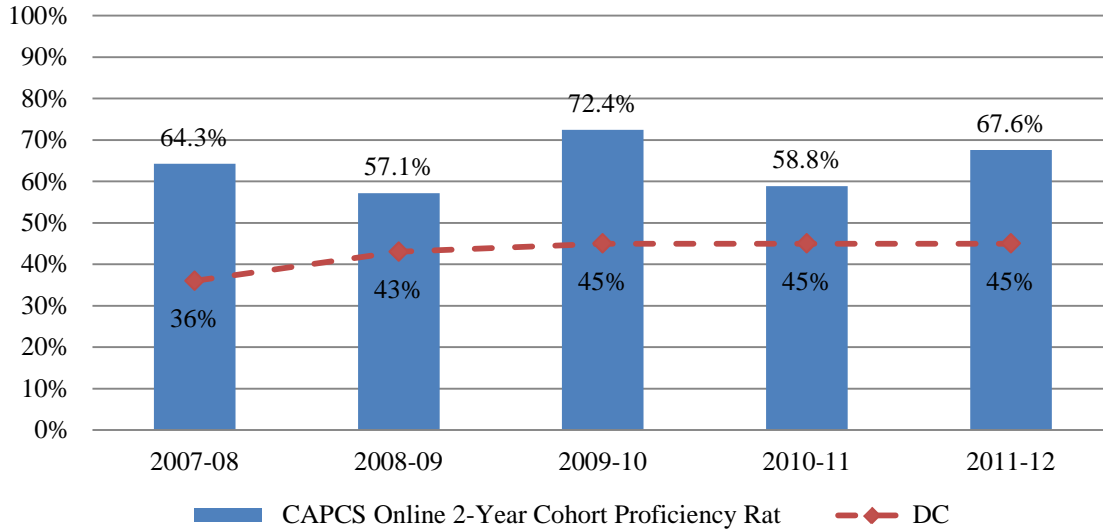
Butler has had a math proficiency rate higher than the statewide average for its three years in operation.

Butler Two-Year Cohort DC-CAS Math Proficiency Rate



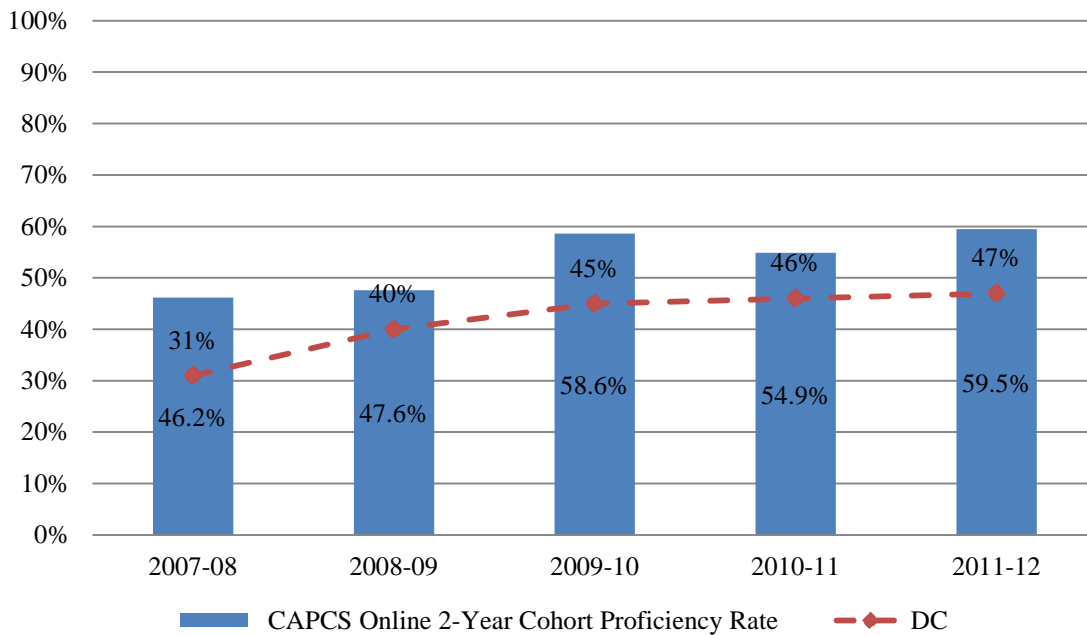
CAPCS Online has had a reading proficiency rate higher than the statewide average since 2007-08.

CAPCS Online Two-Year Cohort DC-CAS Reading Proficiency Rate



CAPCS Online has had a math proficiency rate higher than the statewide average since 2007-08.

CAPCS Online Two-Year Cohort DC-CAS Math Proficiency Rate



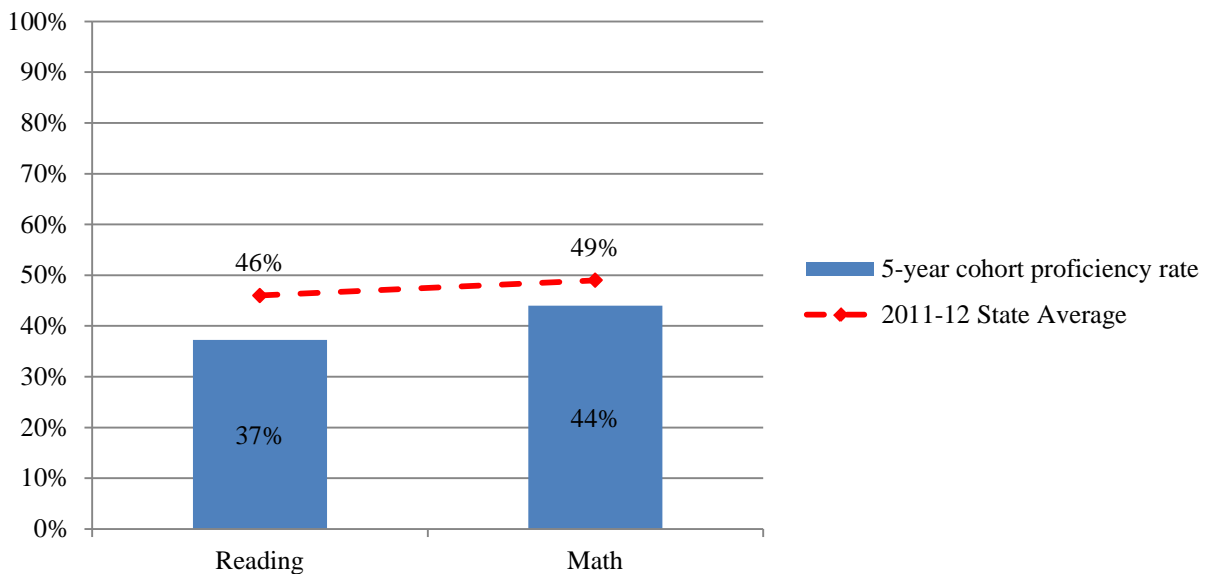
2. Students who have attended for five years will meet or exceed national and international expectations at the world's top K-12 schools.

Assessment: **This goal has not been historically measured.**

This goal was not included in CAPCS’ fifth-year review, nor included on any subsequent Accountability Plans. However, the school commented on this goal in its renewal application, concluding that after five years of attending Community Academy PCS these students were “performing at least at the state average.”¹¹

PCSB conducted a five-year cohort analysis of CAPCS students, identifying 61 students (51 who attended the Amos 3 campus, and 10 who attended the Online campus) who had attended CAPCS for five consecutive years, between 2007 and 2012.¹² From the Amos 3 campus, students who attended CAPCS for five consecutive years had a lower proficiency rate than the state average.

DC-CAS Proficiency Rates - Amos 3 Five-Year Cohort Versus All State Average

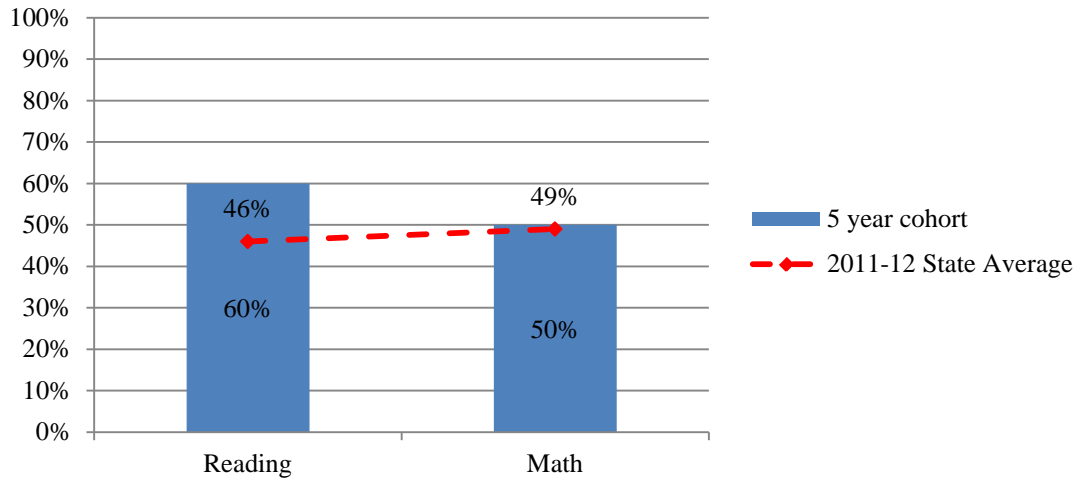


¹¹ See Community Academy PCS Renewal Application, p. 23, attached to this document as Appendix F.

¹² There are some differences between PCSB’s five-year cohort calculation and CAPCS’ five-year cohort calculation presented in its renewal application. First, the two calculations are based on different student-level data sets. Second, PCSB only identified students who attended CAPCS from 2007-08 to 2011-12. CAPCS’ renewal report indicates that identified 43 students who attended CAPCS from 2005-06 to 2009-10; and 2006-07 to 2010-11. CAPCS concluded that 42% of its students that attended CAPCS for five years scored proficient on the DC-CAS reading and math sections.

In contrast to the Amos 3 graduates, the ten students who attended the CAPCS Online campus for five years scored 14% higher in reading and 1% higher in mathematics than the state average.

DC-CAS Proficiency Rates - Online Five-Year Cohort Versus State Average



3. CAPCS will demonstrate that a diverse population of urban students can be educated to the level of academic achievement traditionally associated with private, college preparatory schools.

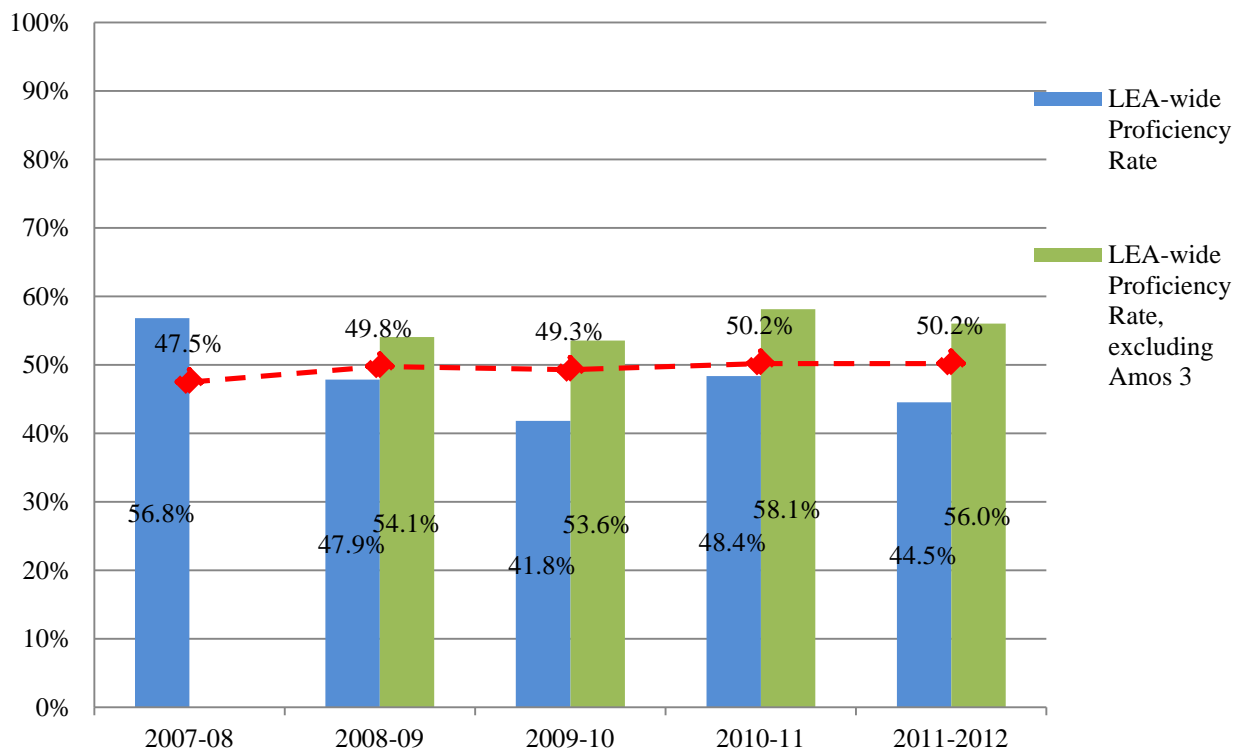
Assessment: **Community Academy PCS has not met this goal.** However the LEA would meet the goal if the school’s lowest-performing campus, Amos 3, were removed from the calculation.

While there is no standard measure by which to compare CAPCS’ performance against that of private, college preparatory schools, PCSB, in assessing this goal, has made the assumption that the performance of such schools would not be lower than the performance of the DC charter sector average.

CAPCS’ LEA-wide reading proficiency rates (detailed in the chart below by the blue bars) were greater than the DC charter sector average for only one of the past five years, indicating that the school did not meet this goal. This proficiency rate includes performance from students enrolled at any CAPCS campus other than the Rand campus, which was closed in 2012.

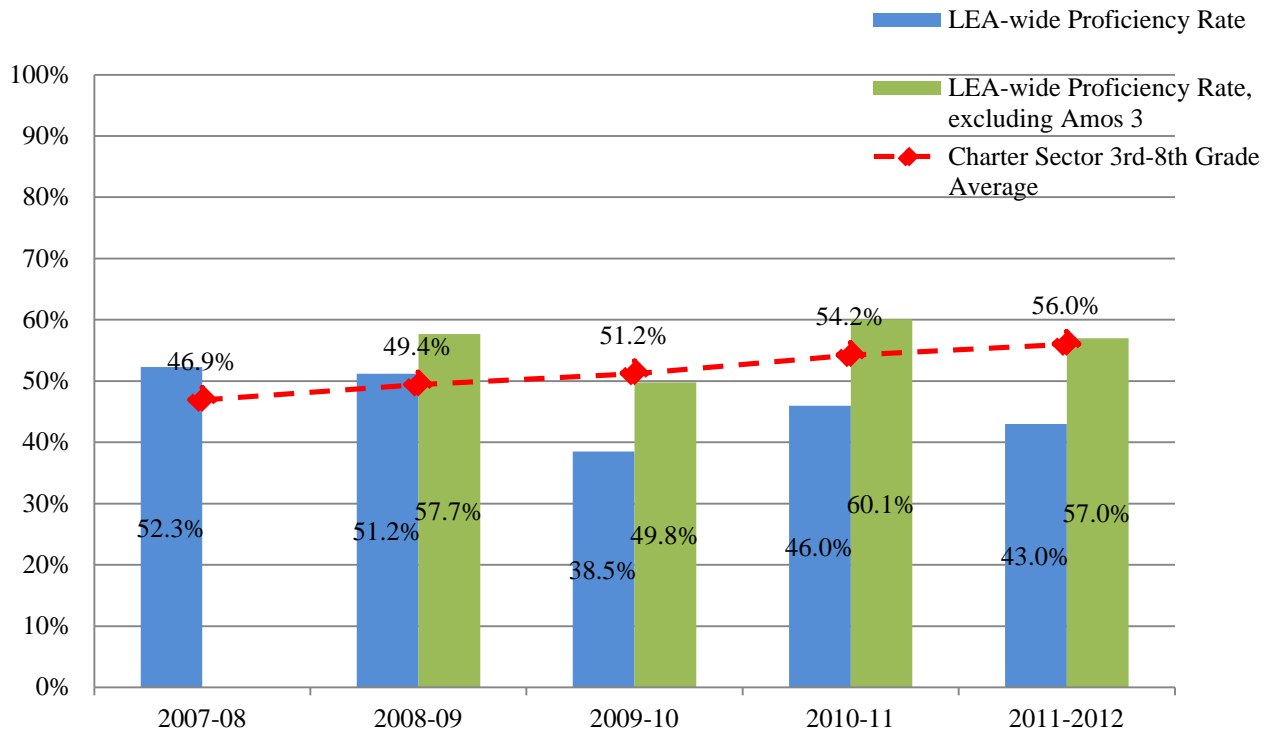
CAPCS’ LEA-wide cohort proficiency rate increases when the proficiency rates from Amos 3, CAPCS’ lowest performing campus, are not considered (this rate is detailed in the chart below by the green bars). In this case the school does meet the goal.

CAPCS DC-CAS Reading Proficiency Rates



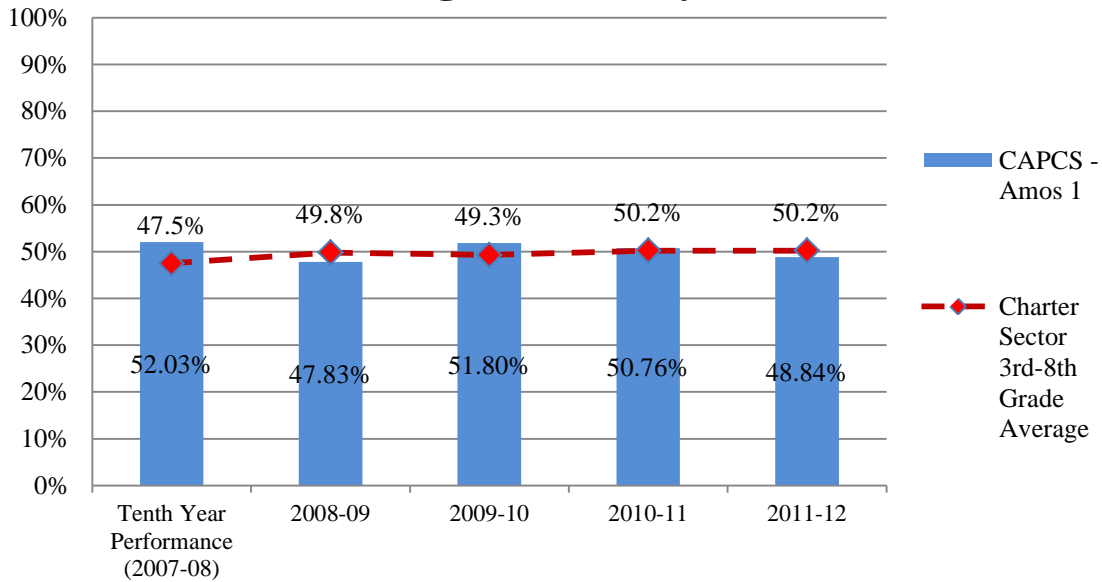
Since 2007-08, Community Academy PCS' LEA-wide math proficiency rates (detailed in the chart below by the blue bars) were greater than the DC charter sector average in only two years. CAPCS' LEA-wide cohort proficiency rate increases when the proficiency rates from the Amos 3, CAPCS' lowest performing campus, are not considered (this rate is detailed in the chart below by the green bars). In this case the school does meet the goal.

CAPCS DC-CAS Math Proficiency Rates



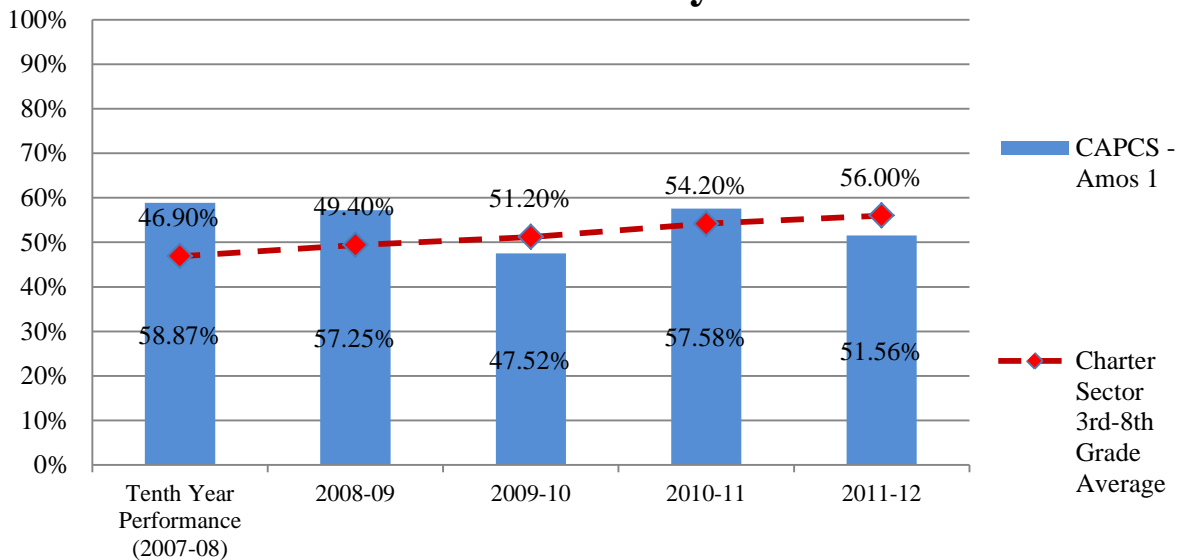
The following graphs detail CAPCS' proficiency rate by campus. The Amos 1 campus' reading proficiency rate has exceeded the state average three of the five past years.

Amos 1 DC-CAS Reading Proficiency Rates



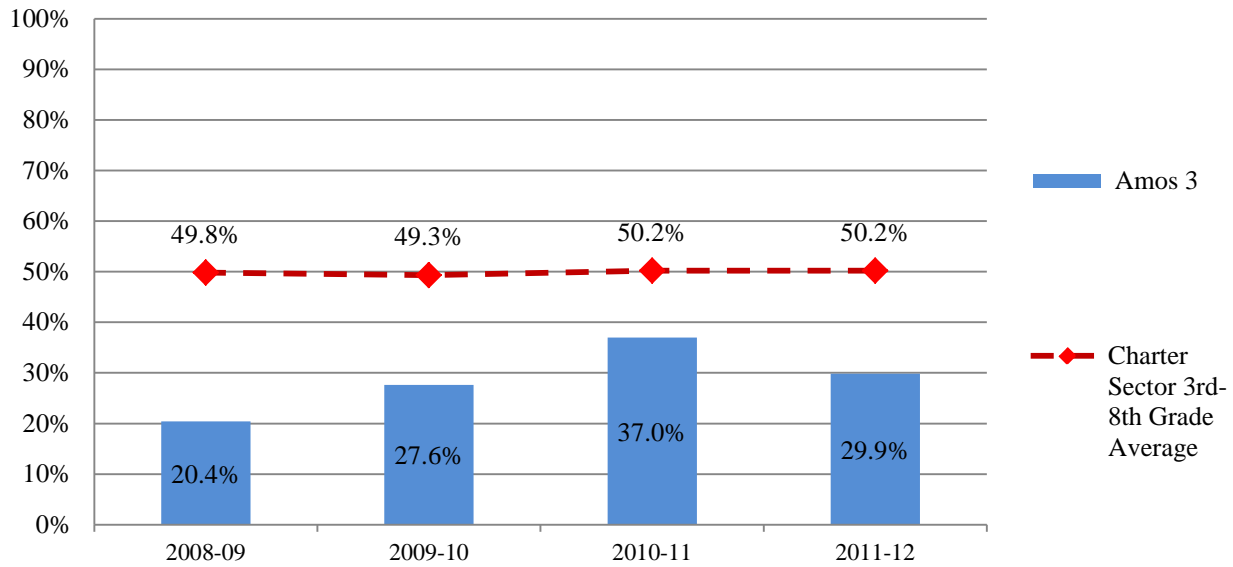
The Amos 1 campus' math proficiency rate has exceeded the state average three of the five past years.

Amos 1 DC-CAS Math Proficiency Rates



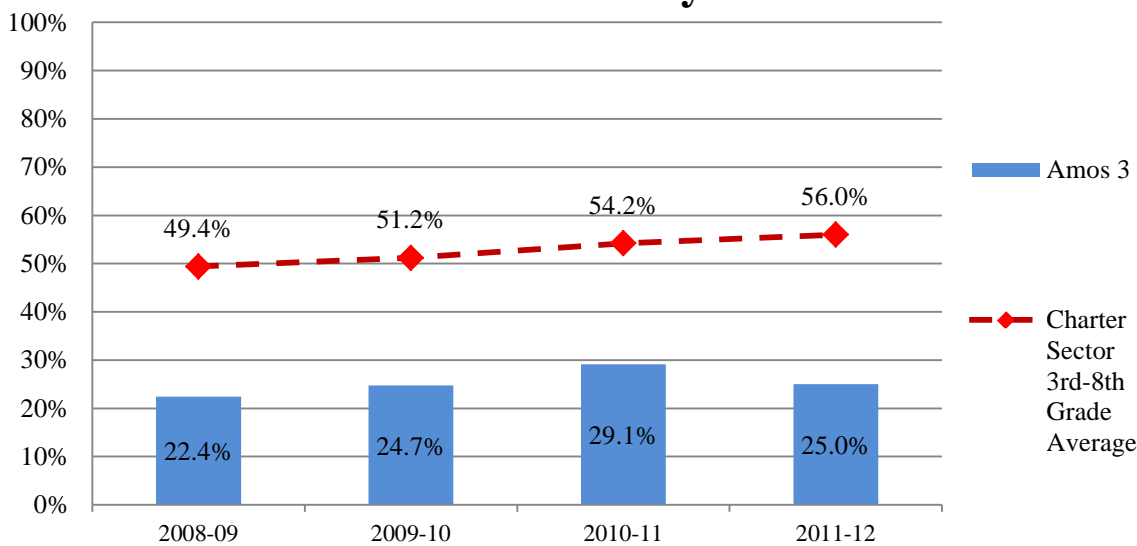
Over the past four years, Amos 3 reading proficiency rates have been 13.2%-29.8% below the DC charter sector average. Its reading proficiency rates increased from 2008-09 to 2010-11, and then decreased by 7.1% in 2011-12.

Amos 3 DC-CAS Reading Proficiency Rates



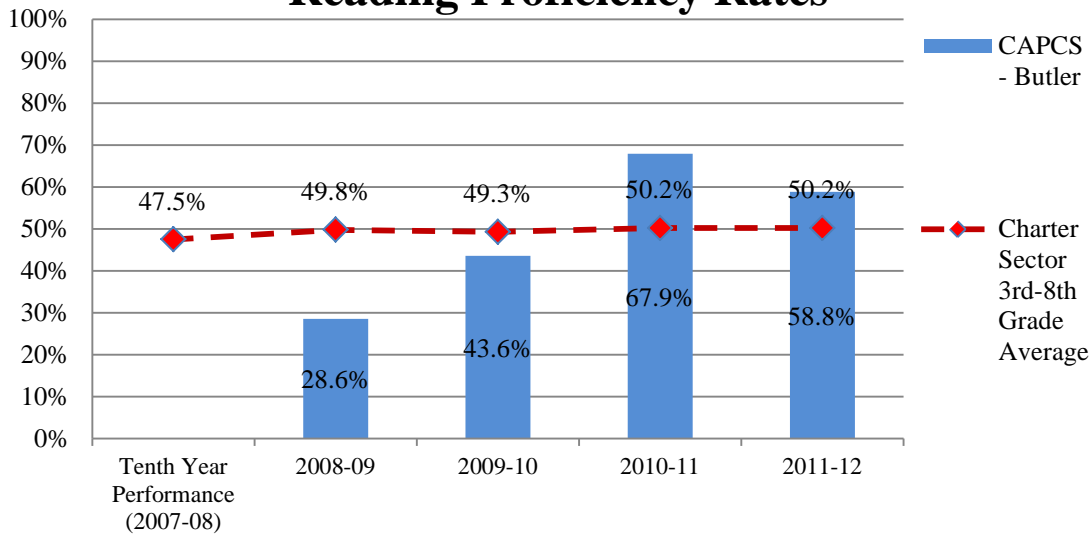
Also similar to the reading proficiency rates, over the past four years, Amos 3 math proficiency rates have been 25.1%-31% below the DC charter sector average. Its math proficiency rates increased from 2008-09 to 2010-11, then decreased by 4.1% in 2011-12.

Amos 3 DC-CAS Math Proficiency Rates



Butler reading proficiency rates increased from 2008-09 to 2010-11, and then fell in 2011-12. Despite the decline in 2011-12, Butler reading proficiency rates were still above the DC charter sector average.

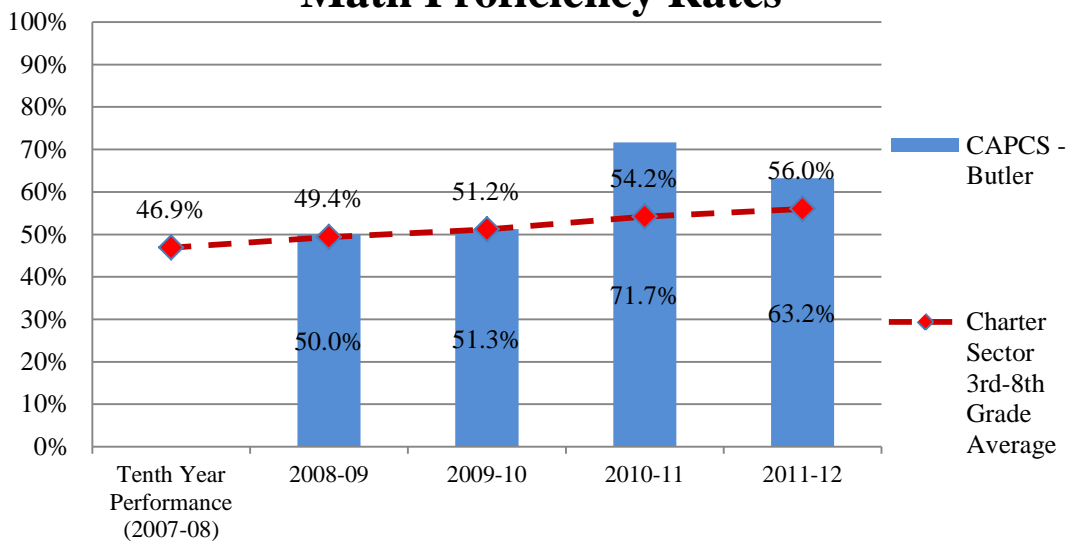
Butler DC-CAS Reading Proficiency Rates



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Butler math proficiency rates increased from 2008-09 to 2010-11, and then fell in 2011-12. As with their reading proficiency rates, despite the dip in math proficiency 2011-12, Butler math proficiency rates were still above the DC charter sector average.

Butler DC-CAS Math Proficiency Rates



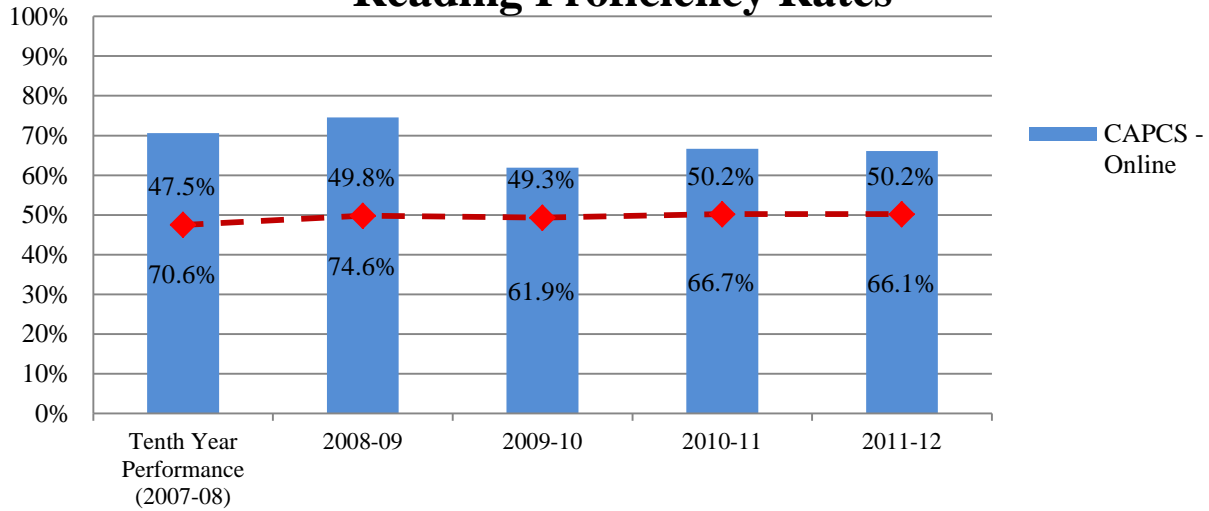
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¹³ In 2007-08 Butler had insufficient enrollment for producing assessment results.

¹⁴ In 2007-08 Butler had insufficient enrollment for producing assessment results.

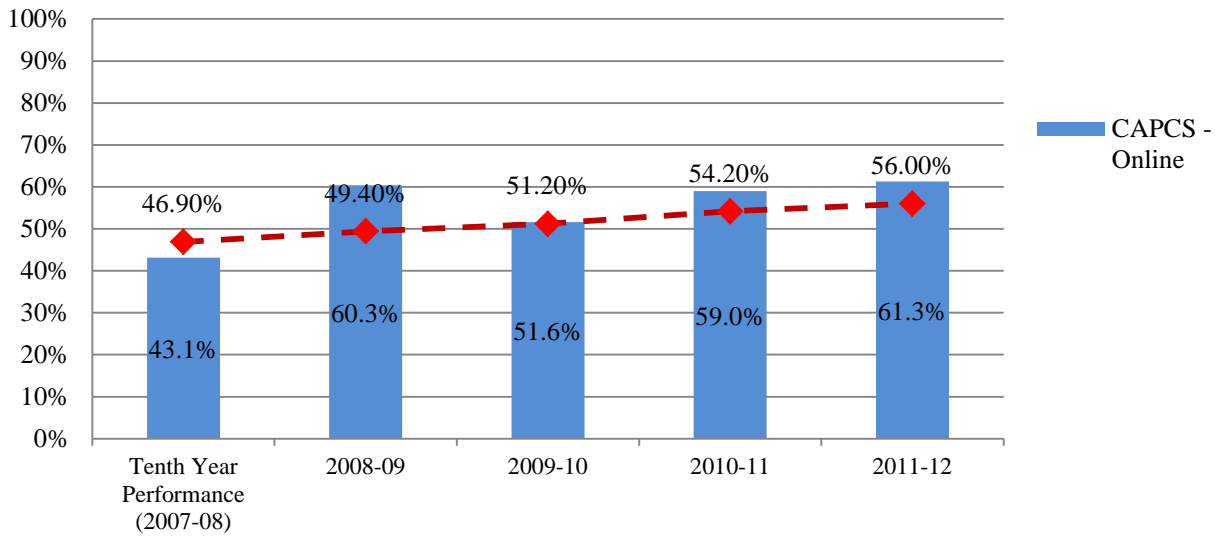
Over the past five years, CAPCS Online’s reading proficiency rates have exceeded the DC charter sector average.

CAPCS Online DC-CAS Reading Proficiency Rates



Over the past five years, CAPCS Online math proficiency rates have exceeded the DC charter sector average.

CAPCS Online DC-CAS Math Proficiency Rates



Aside from DC-CAS results, CAPCS PCS set identical targets for each campus regarding early childhood literacy and numeracy goals for its early childhood programs at its Amos 1, Amos 2, Amos 3, Butler, and CAPCS Online campuses. These targets, and each campus' achievement on these targets, are detailed in the charts below. Because each early childhood program sets unique early childhood targets, it is impossible to compare CAPCS' early childhood performance against the charter sector average.

Community Academy 2010-11 Early Childhood Targets					
	Amos 1	Amos 2	Amos 3	Butler	CAPCS Online
	Met target?	Met target?	Met target?	Met target?	Met target?
At least 75% of all preschool and pre-kindergarten students will move at least one categorical level in mathematics on the Core Knowledge Preschool Assessment Tool ("CK-PAT").	No	No	No	No	This campus pursued different goals based on its online curriculum, discussed below.
At least 75% of all preschool and pre-kindergarten students will move at least one categorical level in literacy on the CK-PAT.	No	No	No	No	
At least 80% of kindergarten through second-grade students will increase their combined reading engagement and fluency scores by an average of 10 points, or will reach the next reading level, on the Diagnostic Reading Assessment ("DRA").	No	No	No	No	
At least 60% of first- and second-grade students will score at or above 50 NCE in reading on the Terra Nova assessment.	No	No 1st and 2nd graders at Amos 2 in 2011	No	No	No
At least 60% of first- and second-grade students will score at or above 50 NCE in mathematics on the Terra Nova assessment.	No	No 1st and 2nd graders at Amos 2 in 2011	No	No	No

In 2010-11, the CAPCS Online campus had two academic goals unique to it:

Target	Met Target?
At least 75% of kindergarten through second-grade students will move from baseline to mastery in language arts of 80% of all K-12 online assessments by June 24, 2011.	Yes
At least 75% of kindergarten through second-grade students will move from baseline to mastery in mathematics of 80% of all K-12 online assessments by June 24, 2011.	Yes

Community Academy 2011-12 Early Childhood Targets

	Amos 1	Amos 2	Amos 3	Butler	CAPCS Online
	Met target?	Met target?	Met target?	Met target?	Met target?
75% of pre-kindergarten-3 and pre-kindergarten-4 students will increase at least one level or remain competent on 75% of the literacy skills by the spring administration on the Core Knowledge Preschool Assessment Test (“CK-PAT”).	Yes	Yes	Yes	Yes	This campus pursued different goals based on its online curriculum, discussed below.
75% of pre-kindergarten-3 and pre-kindergarten-4 students will increase at least one level or remain competent on 75% of the math skills by the spring administration on the CK-PAT.	Yes	Yes	Yes	Yes	
85% of kindergarten through second-grade students will make 0 or greater NCE growth in reading and math by the spring administration of the Terra Nova assessment.	Yes	This campus did not pursue this goal	Yes	Yes	No
60% of first and second-grade students [or, kindergarten students at Amos 2] will score at or above the 5th stanine in reading on the Terra Nova assessment.	Yes	Yes	No	No	Yes
60% of first and second-grade students [or, kindergarten students at Amos 2] will score at or above the 5 th stanine in math on the Terra Nova assessment.	Yes	Yes	No	Yes	Yes

In 2011-12, the CAPCS Online campus had two academic goals unique to it:

Target	Met Target?
75% of kindergarten through second-grade students will move from baseline to mastery (at least 80%) in language arts by the spring administration on the K-12 Online assessments.	Yes
At least 75% of kindergarten through second-grade students will move from baseline to mastery (at least 80%) in math by the spring administration on the K-12 Online assessments.	Yes

4. CAPCS will demonstrate student improvement on standardized test scores that equal or exceed schools with comparable student populations (with regards to race, gender, socioeconomic status).

Assessment: Community Academy PCS has not met this goal. However, the LEA would meet the goal if the school’s lowest-performing campus, Amos 3, were removed from the calculation.

In its fifth-year review, the DC BOE did not make an assessment regarding whether CAPCS had met this goal, detailing that “[t]he school has not conducted a comparative analysis of Academy student performance with that of comparable populations along the variables of race, gender, and socioeconomic status.”

In its renewal report, CAPCS asserts that it has met this goal, and supports this assertion by comparing the absolute growth of each CAPCS campus’ DC-CAS proficiency rates from 2006 to 2012 against the absolute DC-CAS growth of three schools located near each respective CAPCS campus. This methodology does not assess *student improvement*, which PCSB assesses by calculating a schools’ median growth percentage (“MGP”) on the DC-CAS. Thus, to assess this goal, PCSB compared CAPCS’ MGP to the charter sector average. This comparison is appropriate because the demographics of CAPCS students is comparable to, or in some cases more advantaged than, the demographics of the charter sector as a whole.

Item	CAPCS LEA	Charter Sector
% Receiving Free or Reduced-Price Meals ¹⁵	83.3%	77% ¹⁶
% African-American ¹⁷	75.1%	79.4%
% Hispanic ¹⁸	20.9%	15.7%
% AA + Hispanic ¹⁹	96%	95.1%
% Special Education ²⁰	9.3%	12.0%
% ELL ²¹	24.9%	7.3%

¹⁵ Source: 2011-12 PMF

¹⁶ This includes only charter sector elementary and middle schools.

¹⁷ Source: ProActive 2012-13 (not validated by schools).

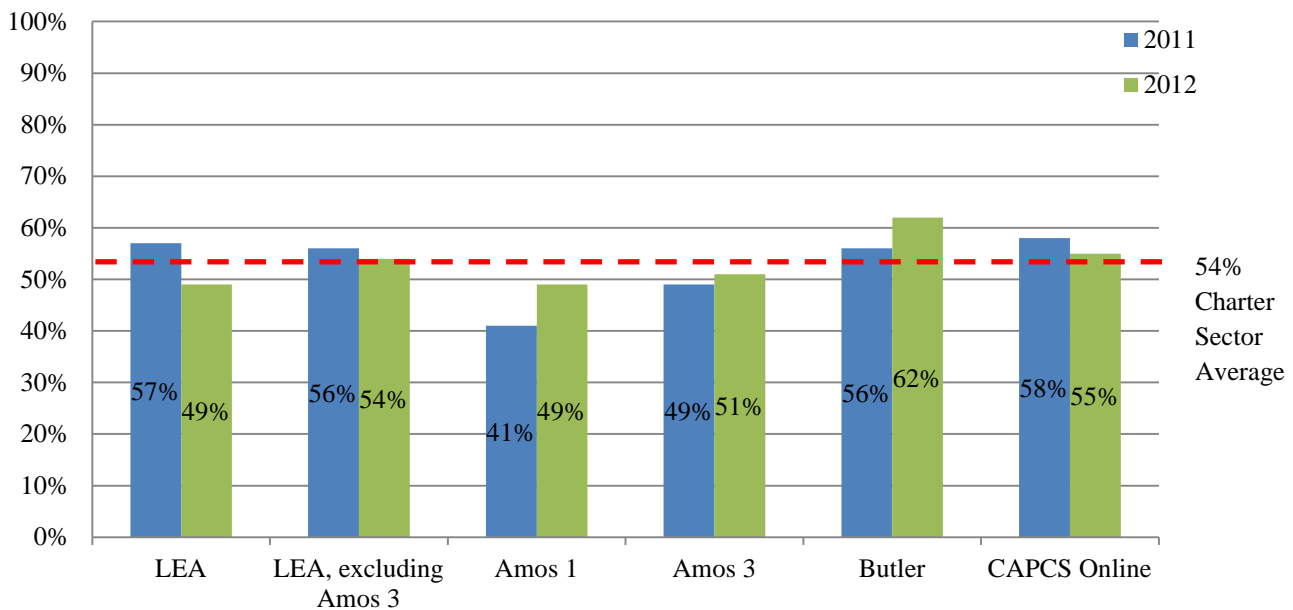
¹⁸ Source: ProActive 2012-13 (not validated by schools).

¹⁹ Source: ProActive 2012-13 (not validated by schools).

Reading MGP

The below graph details each CAPCS campus' reading MGPs for the 2010-11 and 2011-12 school year, as compared to the average reading MGP of all DC elementary and middle charter schools, which have comparable student populations. Overall, the CAPCS LEA (excluding the closed Rand campus) did not achieve the sector-wide average in 2012. However removing Amos 3, CAPCS' lowest-performing campus in terms of proficiency, produces a revised LEA-wide MGP that meets the charter sector average.

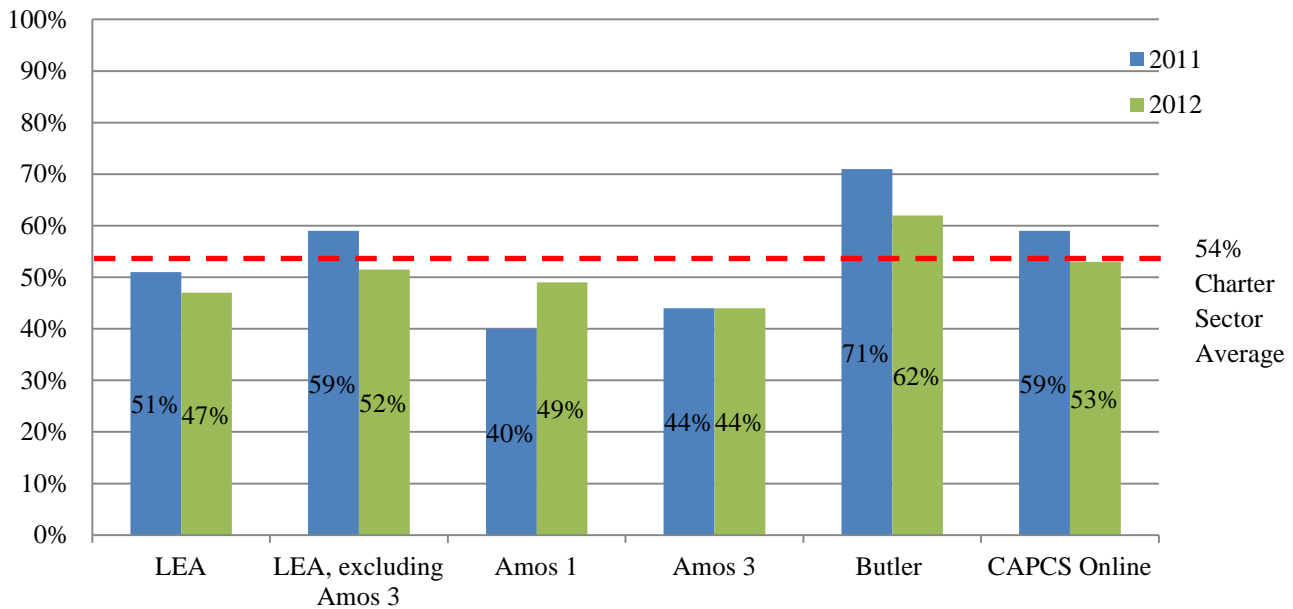
CAPCS DC-CAS MGP Reading Rates



Mathematics MGP

The below graph details each CAPCS campus' math MGPs for the 2010-11 and 2011-12 school year, as compared to the average MGPs of all DC elementary and middle charter schools, which have comparable student populations. Overall, the CAPCS LEA did not achieve the sector-wide average. Removing Amos 3, CAPCS' lowest-performing campus in terms of proficiency, produces a revised LEA-wide MGP that exceeds the charter sector average in 2011.

CAPCS DC-CAS MGP Math Rates



5. Students will participate in community service activities.

Assessment: **Community Academy PCS has met this goal.**

In CAPCS' five-year review, the DC BOE found the school to have met this goal, noting that students on all levels participated in community service activities.²²

In its renewal application, CAPCS detailed its community service activities.²³ Since 2007-08, the school has organized large-scale community service activities, including executing food and toy drives for CAPCS families in need. It also details how it has partnered with external organizations to provide community service activities for its students.

6. Students will participate regularly in at least two non-academic activities each year.

Assessment: **CAPCS has met this goal.**

In CAPCS' five-year review, the DC BOE found the school to have met this goal, noting several non-academic activities offered by the school.²⁴

In its renewal application, CAPCS detailed the enrichment activities it has offered, many of which it operates in partnership with external organizations. These offerings include field trips, clubs, an art show, wellness initiatives, and afterschool activities, among others.²⁵

7. Students will understand and demonstrate a commitment to the school's *Core Principles*.

Assessment: **This goal has not been historically measured.**

This goal was never reviewed or reported after it was included in CAPCS' charter application. However, CAPCS addressed this goal in its renewal application, detailing the school's nine core principles, and describing how its Response Classroom social curriculum helps students understand and demonstrate these Core Principles.²⁶

²² See Appendix A.

²³ See Appendix F.

²⁴ See Appendix A.

²⁵ See Appendix F.

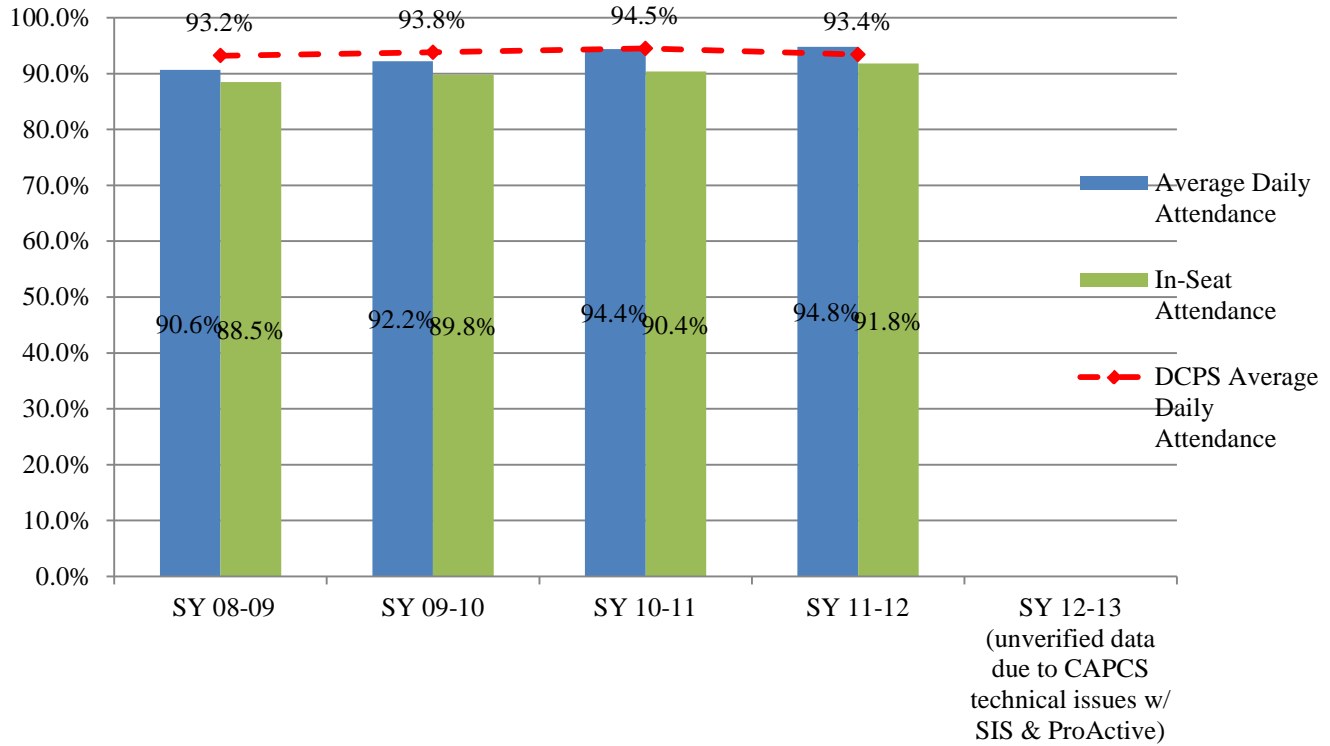
²⁶ See Appendix F.

8. CAPCS will have a higher rate of attendance than traditional DCPS schools.

Assessment: **CAPCS has partially met this goal.**

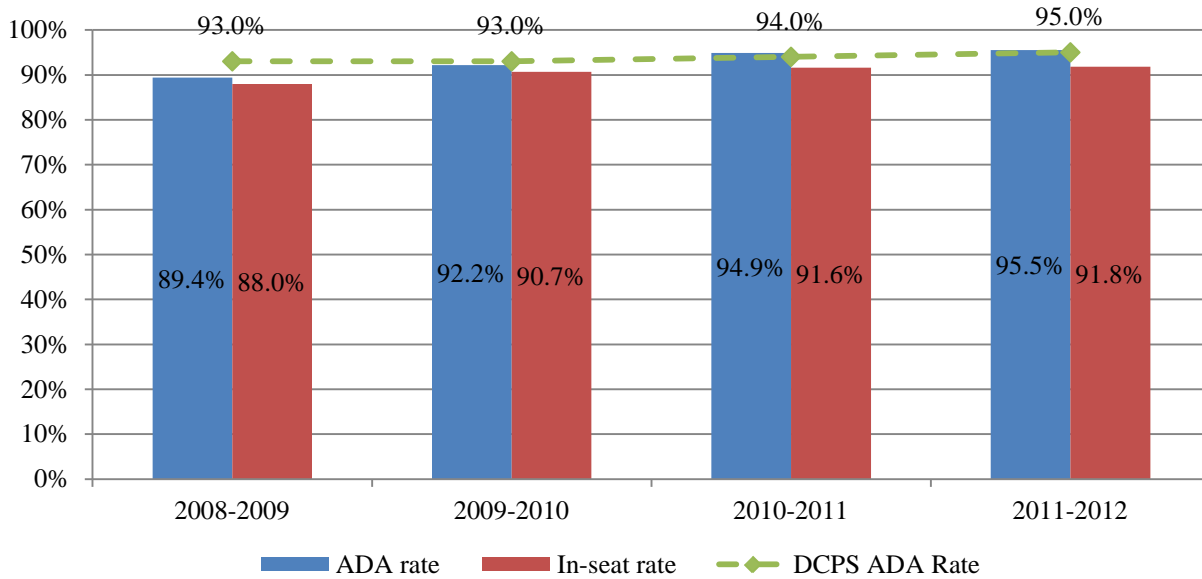
CAPCS had a higher rate of attendance than DCPS in one of the past four years.

CAPCS LEA Attendance Rate

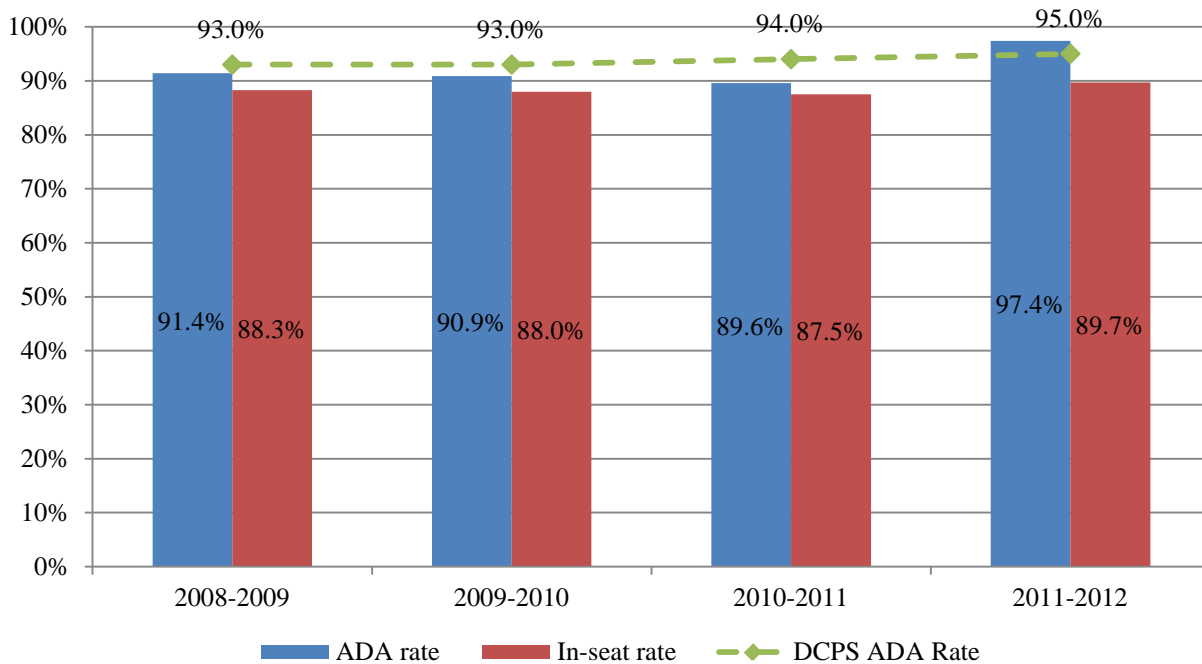


The below graphs detail each campus' average daily attendance and in-seat attendance. Average daily attendance reflects the average number of students who are present, or have an excused absence. In-seat attendance only reflects the average number of students who are present (it does not include excused absences).

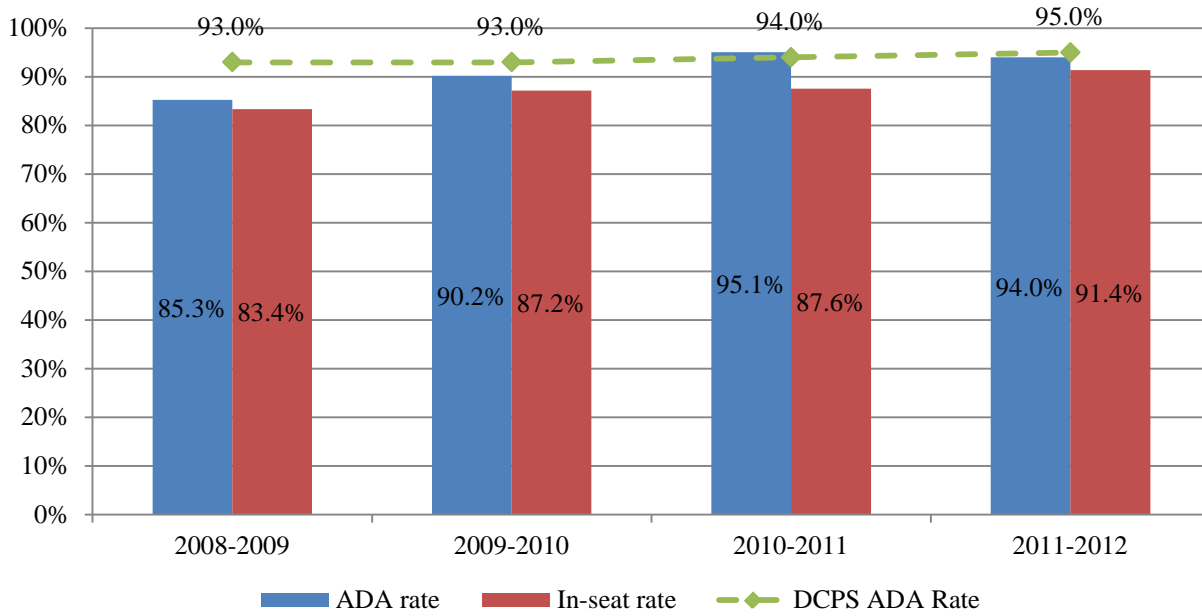
CAPCS - Amos 1 Attendance Rates



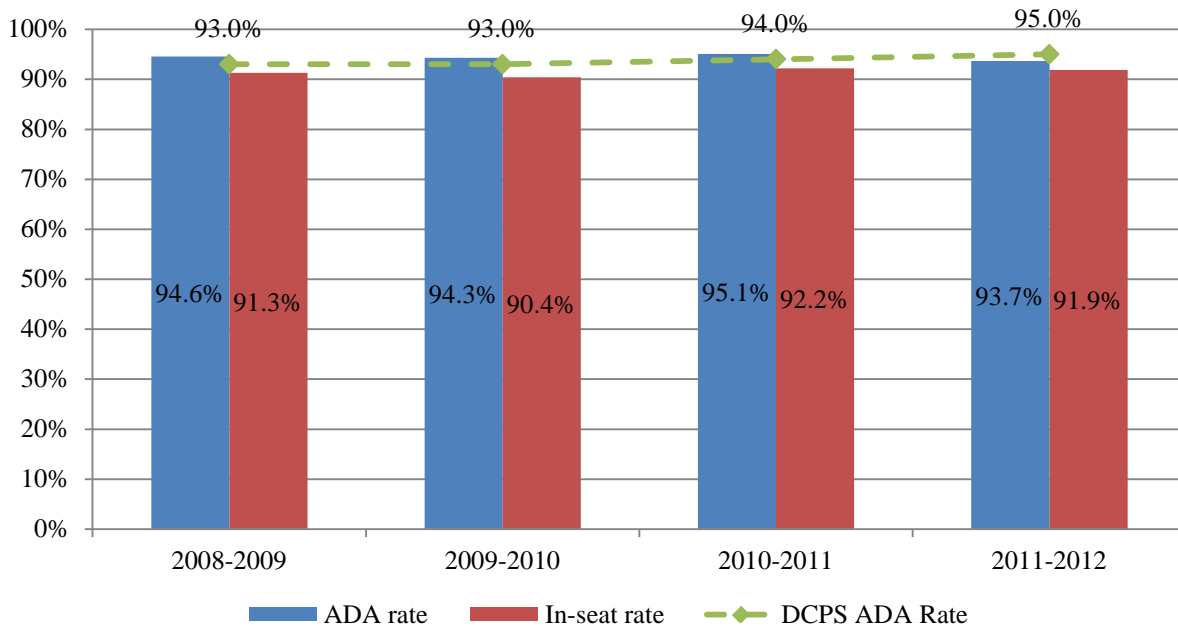
CAPCS - Amos 2 Attendance Rates



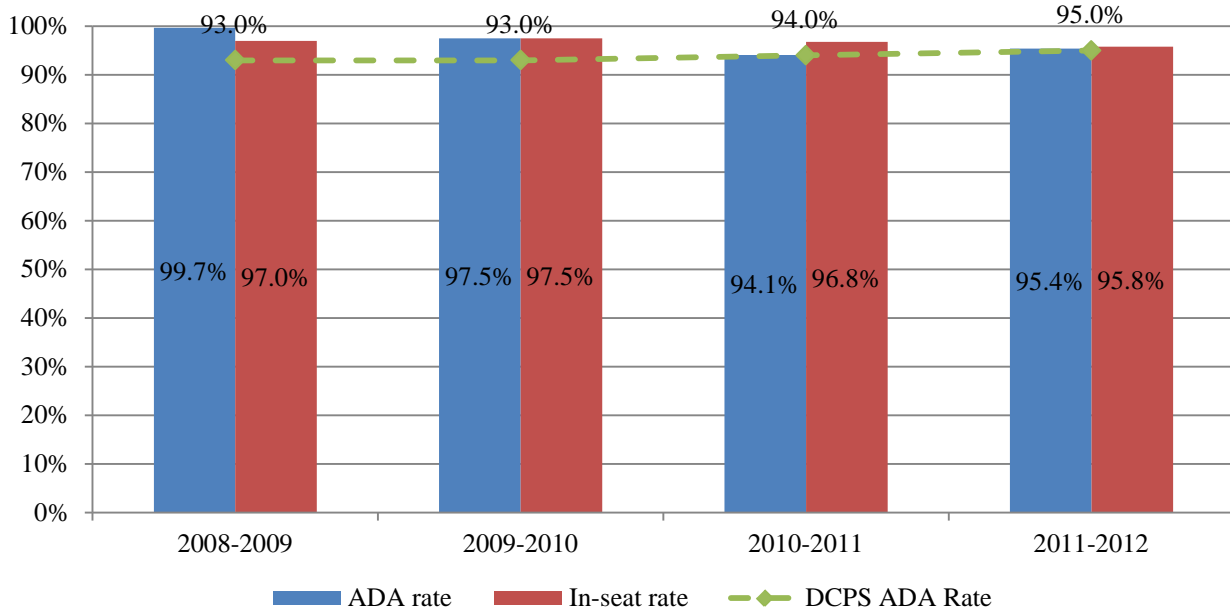
CAPCS - Amos 3 Attendance Rates



CAPCS - Butler Attendance Rates



CAPCS - Online Attendance Rates



CAPCS offers early childhood programs at each of its campuses, with a separate attendance target:

Targets	Met target?				
	Amos 1	Amos 2	Amos 3	Butler	CAPCS Online
2011: On average, preschool through second-grade students [at Amos 2, preschool through kindergarten] will attend school 93%.	Yes	No	Yes	Yes	Yes
2012: On average, pre-kindergarten-3 and pre-kindergarten 4 students will attend school 88% of the days.	Yes	Yes	Yes	Yes	N/A
2012: On average, kindergarten through second-grade students will attend school 92% of the days.	Yes	Yes	Yes	Yes	Yes

9. CAPCS will have a higher staff attendance rate than traditional DCPS schools.

Assessment: **This goal was not historically measured.**

This goal was not assessed as part of CAPCS' five-year review, nor included in the school's 2007-08 Accountability Plan. However, the school commented on this goal in its renewal application, noting its staff's annual attendance rate over the past three years, but did not comment on its staff attendance rate in comparison to the staff attendance rate at traditional DCPS schools, noting that "it is impossible to quantify this achievement as comparative staff attendance data for DCPS is not publically available."²⁷

Year	Average Annual Staff Attendance
2009-10	93.4%
2010-11	92.6%
2011-12	90.4%

²⁷ See Appendix F.

10. CAPCS will have a higher rate of parent participation than DCPS.

Assessment: **This goal was not historically measured.**

This goal was not assessed as part of CAPCS’ five-year review. However, in its renewal application, although CAPCS does not speak to its parent participation as compared to DCPS parent participation, it details how parents are involved in the school.²⁸ Since 2001-02, the school has operated a Parent Center, which executes service projects, outreach and parenting workshops. The school has had a formal parent-teacher organization since 2003.

Additionally, in its 2007-08 accountability plan, CAPCS, in conjunction with PCSB, updated the text of this goal so that it would measure of parent satisfaction, which can be reflected by a school’s reenrollment rate. CAPCS’ reenrollment rates are detailed in the graph below.

CAPCS Reenrollment Rates



²⁸ See Appendix F.

11. CAPCS will integrate high levels of technology into its learning program, to prepare children for the 21st century.

Assessment: **This goal was not historically measured.**

This goal was never again referenced, measured, or assessed by the school or the DC BOE after it was included in CAPCS' charter application. However, CAPCS discussed in its renewal application how it has integrated technology into its learning program.

Since 2006-07, CAPCS has offered technology skills and integration training to teachers as part of its Saturday Academy workshop program.²⁹ In 2006-07, the school hired two technology coaches to further support teachers in their use of technology.

In its renewal report, CAPCS cites several instances of how technology is used during instruction. Each campus has a dedicated computer lab, and most classrooms have SMART boards. Its Online campus, the only virtual school in the District of Columbia, is executed entirely through computers.

During Quality Site Reviews ("QSR") conducted by PCSB during the 2012-13 school year, the following observations were made about CAPCS' technology use:

Amos 1: "The [QSR] team observed teachers using a minimal to average amount of technology. Teachers used LCD Projectors and whiteboards, to a lesser extent, in their lessons. There were computers in rooms though few were being used at the time of observation."³⁰

Amos 2: "Computers, overhead projectors and other technology were evident in each classroom and in use in most classrooms."³¹

Amos 3: "The school has integrated STEM programs into the curriculum at all grade levels. The review team observed average but not 'high' levels of technology used in instruction, such as computers, Smart boards, and projectors."³²

Butler: "The QSR team did not observe any evidence related to this goal."³³

CAPCS Online: "CAPCS Online is the only virtual campus in the District of Columbia. K¹² s[the es a variety of technology tools from dashboards to Blackboard to web video and podcasts to teach lessons and engage students."³⁴

²⁹ See Appendix F.

³⁰ See Amos 1 QSR Report, included in this document as Attachment G.

³¹ See Amos 2 QSR Report, included in this document as Attachment H.

³² See Amos 3 QSR Report, included in this document as Attachment I.

³³ See Butler QSR Report, included in this document as Attachment J.

³⁴ See CAPCS Online QSR Report, included in this document as Attachment K.

12. CAPCS will provide professional opportunities for teachers and create opportunities to tap the expertise and experience of qualified professionals currently excluded from the public school system.

Assessment: **Community Academy PCS has met this goal.**

In its renewal report, CAPCS describes the various professional development programs that it employs. All of its instructional and support staff participate in a two-week summer training program.³⁵ Beginning in 2005-06, the school began offering a “Saturday Academy” to its instructional staff, consisting of professional development activities. The school plans to implement “Professional Learning Communities,” which will allow for targeted professional development, in the 2012-13 school year.

During QSR visits conducted by PCSB, QSR teams conducted focus groups with CAPCS administration and teachers, and discussed CAPCS’ professional development opportunities. Teachers discussed the summer training program, as well as monthly professional development that they participate in.³⁶

13. CAPCS will increase the minimum number of school days from the traditional 180 days to at least 210 days per year.

Assessment: **This goal was not historically measured.**

In CAPCS’ five-year review, the DC BOE noted that “[although the School has not met the target of 210 instructional days per year, the School calendar has more than the traditional 180 instructional days for students.”³⁷ The goal was not included in the school’s 2007-08 Accountability Plan, and the school has never reported on this goal.

In its renewal application, CAPCS gives further context to its pursuit of this goal:

The school has experimented with different calendar configurations throughout the years, with the school year fluctuating from 182 days to a high of 210 in 2005-06. School leaders, however, ultimately decided that the extended year model was not practical at the school. First, attendance on days when DCPS schools were closed dropped significantly, as families with children attending both CAPSC and DCPS schools would often keep their CAPSC students home. Second, teachers and staff whose own children attended DCPS schools had difficulty managing the extended CAPSC school year.

³⁵ See Appendix F.

³⁶ See Appendix G, H, I, J, K.

³⁷ See Appendix A.

14. The school day will be extended beyond the traditional 8:00am-3:00pm schedule. CAPCS will be open at a minimum from 7:30am-8:30pm offering students and their families education, enrichment, job training recreational and other opportunities.

Assessment: **This goal was not historically measured.**

In CAPCS' five-year review, the DC BOE found the school to have met this goal.³⁸ In this review, it was noted that the school day begun at 8:30am and ended at 4pm. It is not specified how late the school remained open past 4pm, although it is noted that “[a] variety of enrichment and other opportunities are available to students and their families in the non-classroom hours.”

In its renewal application, the CAPCS notes that its school day runs from 8:30am to 4pm, and that its afterschool programming runs until 6:30pm.³⁹ Its before- and after- school program, Kids House, runs from 6:30am-8am, and then 4-6:30pm.

While the school has not been open from 7:30am-8:30pm for the majority of the course of its charter, it has consistently offered extended programming.

15. CAPCS will offer tutoring and mentoring opportunities for children.

Assessment: **CAPCS has met this goal.**

In CAPCS' five-year review, the DC BOE found the school to have met this goal, noting that Kids' House operated from 4pm to 7:30pm every day.⁴⁰ In its renewal application, CAPCS notes that Kids House has continuously offered afterschool programming to CAPCS students.⁴¹

Additionally, CAPCS details in its renewal application the tutoring opportunities it offers to its students.⁴² In 1999-2000, it initiated a formal tutoring program; in 2004-05, it began offering Saturday tutoring; and in 2006-07, expanded the tutoring program to include tutoring led by teachers. Since 2009-10, CAPCS has offered face-to-face tutoring to students enrolled in its online program and performing below grade level.

CAPCS has partnered with many external partners to offer tutoring and mentoring services to its students. The school secured federal and city funding for Supplemental Education Services that enabled it to provide afterschool tutoring to its students at no cost to their parents and guardians.

³⁸ See Appendix A.

³⁹ See Appendix F.

⁴⁰ See Appendix A.

⁴¹ See Appendix F.

⁴² See Appendix F.

16. CAPCS will offer several special programs to assist high schools students pursuing careers in computer and automotive technology.

Assessment: CAPCS has not historically pursued this goal.

In CAPCS' five-year review, the DC BOE determined that the school had not met this goal.⁴³ The goal was not included in the school's 2007-08 Accountability Plan, and the school has never reported on this goal after it was mentioned in its fifth-year review.

⁴³ See Appendix A.

COMPLIANCE WITH APPLICABLE LAWS

The District of Columbia School Reform Act (“SRA”) provides that PCSB shall not approve a charter renewal if it determines that the school has committed a material violation of applicable laws.⁴⁴ The SRA contains a non-exhaustive list of applicable laws, and PCSB also monitors charter schools for compliance with additional applicable laws. The following section identifies these laws and includes a determination of whether each of the five Community Academy PCS campuses (Amos 1, Amos 2, Amos 3, Butler, and CAPCS Online) has consistently complied with these laws over the past fifteen years.

General Laws

In its 2012-13 Compliance Reviews, PCSB found that all five Community Academy campuses were in compliance with all applicable laws. However, in previous years, campuses have not always been in full compliance, as detailed below.

Health and Safety

The SRA requires schools to maintain the health and safety of its students.⁴⁵ To ensure that schools adhere with this clause, PCSB monitors schools for various health and safety indicators, including but not limited to, whether schools have qualified staff members that can administer medications, whether schools conduct background checks for all school employees and volunteers, and whether schools have a “School Emergency Response Plan” in place and conduct emergency drills as required by the District of Columbia Fire Department.

As recently as the 2009-10 academic year, CAPCS failed to provide documentation for background checks of all employees.⁴⁶ For all five campuses, CAPCS also failed to submit a certification from the D.C. Fire Department for required inspections, failed to submit a School Emergency Response Plan, and failed to conduct a minimum of ten fire drills per year, one per month of operation.⁴⁷ By the 2011-12 and 2012-13 academic years, CAPCS had cured all instances of non-compliance at all five campuses.

In previous years, CAPCS had failed to provide proper Certificates of Occupancy for the Amos 1, Amos 2, Amos 3, and Butler campuses.⁴⁸ However in the 2012-13 academic year, CAPCS cured this non-

44 SRA § 38.1802.12 (c)(2)

45 SRA § 38.1802.04 (c)(4)(A)

46 See Appendix A. See also PCSB Letter dated 9/25/2009, attached to this document as Appendix L.

47 See Appendix L.

48 See PCBS Letter Dated 11/22/2011, attached to this document as Appendix M.

compliance and submitted proper Certificates of Occupancy for the Amos 1, Amos 2, Amos 3, and Butler campuses.⁴⁹

Discipline

PCSB reviews school disciplinary policies to ensure that they afford students due process⁵⁰ and that students and parents are made aware of these due process safeguards. Over the past five years, CAPCS has had disciplinary policies that ensure students' due process, but in academic year 2009-10, the Amos 3 campus failed to disseminate the disciplinary policies to students and parents.⁵¹ However, the Amos 3 campus subsequently cured that noncompliance. In its 2012-13 Compliance Review Report, PCSB found that all five CAPCS campuses were in full compliance.

Enrollment and Attendance

The SRA requires that schools have a fair and open enrollment process that randomly selects applicants and does not discriminate against students. PCSB requires that schools announce a cutoff date for enrollment. For the 2008-09 and 2009-10 academic years, the Butler campus failed to announce a cutoff date for enrollment in advance.⁵² However, Butler cured the non-compliance by the 2011-12 academic year, and PCSB found in the 2012-13 academic year that all five campuses were in full compliance.

Maintenance and Dissemination of Student Records

The Family Educational Rights and Privacy Act requires that schools properly maintain and disseminate student records.⁵³ In its 2012-13 Compliance Review Report, PCSB found that all five CAPCS campuses were in full compliance with these requirements.

Title I of the Elementary and Secondary Education Act

Because Community Academy PCS receives Title I funds, it is required to adhere to a number of requirements under the Elementary and Secondary Education Act (“ESEA”), including hiring “Highly Qualified Teachers” and communicating certain information to parents about its participation in No Child Left Behind (“NCLB”) program.⁵⁴

49 See Community Academy PCS Amos 1 Compliance Review Report (2012-2013), attached to this document as Appendix N; Community Academy PCS Amos 2 Compliance Review Report (2012-2013), attached to this document as Appendix O; Community Academy PCS Amos 3 Compliance Review Report (2012-2013), attached to this document as Appendix P; Community Academy PCS Butler Compliance Review Report (2012-2013), attached to this document as Appendix Q.

50 As required by *Goss v. Lopez*, 419 U.S. 565 (1975).

51 See Appendix P.

52 See Community Academy PCS Butler Compliance Review Report (2008-09 and 2009-10), attached to this document as Appendix R.

53 20 U.S.C. § 1232g

54 20 U.S.C. § 6300, *et. seq.*

In the 2008-09 and 2009-10 academic years, the Amos 2 campus did not ensure that all teachers were Highly Qualified, nor did it inform parents of their right to request information on teachers' qualifications.⁵⁵ In the 2009-10 academic year, the Amos 3 campus also failed to ensure that all elementary and secondary subject teachers were Highly Qualified, but it did inform parents of their right to request information on teachers' qualifications.⁵⁶ For the 2011-12 and 2012-13 academic years, PCSB found that all five CAPCS campuses were in full compliance, and ensured that all elementary and secondary subject teachers were Highly Qualified.

Civil Rights Statutes and Regulations

Charter schools must comply with all applicable local and federal civil rights statutes.⁵⁷ There is no indication that CAPCS has violated any civil rights statutes at any of its five campuses.

Governance

The SRA requires that a school's board of trustees have an odd number of members, not exceeding fifteen, two of which must be parents of students currently attending the school. A majority of the board must be District of Columbia residents.⁵⁸ In previous years, the CAPCS board was not in full compliance with this requirement. CAPCS' Board of Trustees, which totaled sixteen members at the time, was out of compliance with the SRA.⁵⁹ However, CAPCS has since cured this noncompliance, and remains in compliance for the 2012-13 academic year.⁶⁰

In a 2011 Program Development Review ("PDR"), PCSB found CAPCS' Board to be "limited" in setting academic, financial, and other key annual targets and providing adequate oversight of these expectations. It is noted in this report that "...there is a lack of clarity regarding the distinction in roles played by the [board of Trustees] versus the management company and the methods by which the Board holds the management company accountable."⁶¹ It was also noted that "...the line of demarcation between the

55 See Community Academy PCS Amos 2 Campus Compliance Review Report (2008-09 and 2009-10 Academic Years), attached to this document as Appendix S.

56 See Community Academy PCS Amos 3 Campus Compliance Review Report (2009-10 Academic Year), attached to this document as Appendix T.

57 SRA § 38-1802.02 (11). This includes the Age Discrimination Act of 1985, the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, § 504 of the Rehabilitation Act of 1973, part B of the Individuals with Disabilities Act of 1990.

58 SRA § 38-1802.05 (a)

59 See Community Academy PCS Campus Compliance Review Report (2008-09 Academic Year), attached to this document as Appendix U.

60 See Appendix N, Appendix O, Appendix P, Appendix Q, Appendix S and CAPCS On-line Campuses 2011-12 Academic Year compliance report attached to this document as Appendix V.

⁶¹ CAPCS PCS Amos [3] Lower Campus Program Development Review, p. 3 (October 18-19, 2011), attached to this document as Appendix W.

Board of Trustees and the management company is not clear as it relates to managing in a manner consistent with the school’s mission and design.”⁶²

On January 11, 2013, based on PCSB’s concerns that CAPCS was operating under an expired contract between the CAPCS Board and its management company, as well as substantive concerns with various provisions in this contract, PCSB sent CAPCS a letter detailing six such concerns regarding CAPCS’ contract and relationship with Community Action Partners and Charter School Management LLC (“CAPCS Management LLC”), along with six requests for further information and documentation related to those concerns. On February 14, 2013, CAPCS responded to these concerns and requests. PCSB’s concerns and requests, along with CAPCS’ responses, are detailed in the table below.

PCSB’s Concerns and Requests, detailed in 1/11/13 letter⁶³	CAPCS’ Responses, detailed in 2/14/13 letter⁶⁴	PCSB’s Replies, detailed in 2/27/13 letter⁶⁵
<p>Article 1, section 1.1. entitled Term, provides that the agreement “shall commence on the date shown above and shall be in effect for a five-year period.” While the effective date on the agreement appears to be March 28, 2007, the parties did not sign the agreement until April 26, 2007, making the termination date of the agreement April 28, 2012. PCSB is very concerned that CAPCS is operating under a management understanding without an effective management agreement in place. Moreover, given the concerns and questions that follow below, we believe at the very least the agreement should be updated with various provisions eliminated or drastically revised.</p>	<p>At the February 21, 2013 meeting of the CAPCS Board of Trustees the Board will be asked to ratify the acts taken by CAPCS Management LLC since April 28, 2012 and to extend the management agreement by amendment through the end of the current school year CAPCS will also solicit bids pursuant to Section 38-1802.04(c) of the Act for a new management agreement for the next school year. The Board shall enter into a management agreement with the selected firm.</p>	<p>In response to our concern that CAPCS and CAPCSM LLC are operating under an expired management agreement, you replied that at your February 21, 2013, meeting of the Board of Trustees meeting, the Trustees would be asked to ratify the acts taken by CAPCSM LLC since April 28, 2012 and to extend the management agreement by amendment through the end of the current school year. Please provide documentation of that ratification and extension. Further, you also responded that CAPCS would solicit bids for a new management agreement for next school year, and enter into a management agreement with the selected firm. PCSB looks forward to receiving all bids for the contract, the name of the contractor awarded the contract, and the rationale for</p>

⁶² CAPCS PCS Amos [3] Upper Campus Program Development Review, p. 37 (October 18-19, 2011), attached to this document as Appendix X.

⁶³ See Letter to Mr. Terri Chili, dated January 11, 2013, attached to this document as Appendix Y.

⁶⁴ See Letter to Mr. Brian Jones, dated February 14, 2013, attached to this document as Appendix Z.

⁶⁵ See Letter to Mr. Ernest G. Green, dated February 27, 2013, attached to this document as Appendix AA.

		<p>the award of the contract pursuant to §38-1802.04(c)(B) of the SRA as well as a copy of the executed contract.</p>
<p>Article 3, section 3.4 (f), entitled Non-Discrimination, provides: “The educational program of CAPCS shall be nonsectarian and shall not illegally discriminate against any student on the basis of race, creed, color, sex, national origin, religion, ancestry, or disability or special needs.” PCSB is concerned that this non-discrimination clause is not inclusive of the D.C. Human Rights law, prohibiting discrimination on the basis of sexual orientation or sexual identification.</p>	<p>At the February 21, 2013 meeting of the CAPCS Board of Trustees, the Board will be asked to approve an amendment to the management agreement that includes in the list of prohibited discriminatory acts the words “sexual orientation, gender identity or expression.”</p> <p>CAPCS was founded on the principle of equity in educational opportunities for all children regardless of their characteristics or background. CAPCS has always taken the rights of all children and adults very seriously and has a history of looking out for “the least among us”. CAPCS also takes very seriously any allegation that it has not lived up to this commitment.</p> <p>There are actually four sections in the management contract that contain a non-discrimination clause. They are Sections 3.4(f), 6.1, 9.7 and 16.9. All of these sections will be amended to include the prohibition against discrimination on the basis of “sexual orientation, gender identity or expression.”</p>	<p>In response to our concern that CAPCS’s non-discrimination clause is not inclusive of the D.C. Human Rights law prohibiting discrimination on the basis of sexual orientation or sexual identification, you stated that at the February 21, 2013 Board of Trustees meeting, the Trustees would be asked to approve an amendment to the management agreement that includes in the list of prohibited discriminatory acts the words “sexual orientation, gender identity or expression.” You further responded that other sections of the management contract contain non-discriminatory clauses would be amended as well.</p> <p>Please provide documentation of the amendments and approval of such by the Trustees. PCSB commends your longstanding commitment to equity in educational opportunities for all children regardless of their characteristics or background, and appreciates the Board’s immediate response to this concern during its February 21, 2013 Board meeting.</p>
<p>Article 6, section 6.1 entitled Admission Standards, provides in relevant part:</p>	<p>At the February 21, 2013 meeting of the CAPCS Board of Trustees, the</p>	<p>In response to our concern regarding CAPCS’s</p>

<p>“However, CAPCS and CAPCS Management LLC shall have the authority to give preference to neighborhood students and to siblings of students enrolled in CAPCS, so long as this preference does not violate the Charter Contract.” The School Reform Act (SRA) provides for open enrollment and allows public charter schools to give preferences only “. . . to an applicant who is a sibling of a student already attending or selected for admission to the public charter school . . . or an applicant who is a child of a member of the public charter school’s founding board” The SRA, however, does not allow preferences to be given to neighborhood students. This provision in the management contract raises grave concerns regarding CAPCS’s enrollment practices.</p>	<p>Board will be asked to approve an amendment to the management agreement to delete the words “to neighborhood students”. CAPCS has always had a policy of open enrollment for all students who are residents of the District of Columbia, and does not, in fact, give any preference to neighborhood students.</p>	<p>enrollment practices regarding neighborhood preferences and selection criteria, you responded that at the February 21, 2013 Board of Trustees meeting, the Trustees would be asked to approve an amendment to the management agreement to remove the words “to neighborhood students” from Article 6, section 6.1. entitled Admission Standards. Please provide documentation of the amendment and approval of such by the Trustees.</p>
<p>Article 6, section 6.2 entitled Recruitment, provides in relevant part: “Students shall be selected based upon selection criteria agreed upon between CAPCS Management LLC and the Board in compliance with the Charter Contract and applicable laws.” As with PCSB’s concern above, this provision is contrary to the SRA, which provides for open enrollment. There should be no selection criteria other than the preferences mentioned above.</p>	<p>Amending the management agreement as described above will address this issue.</p> <p>CAPCS has always had a policy of open enrollment for all students who live in the District of Columbia. This is evidenced by the numbers of students who attend and have attended CAPCS schools from all Wards of the City.</p>	
<p>Article 7, section 7.3, entitled Family Educational Rights and Privacy Act, provides: “CAPCS hereby designates employees of CAPCS Management, LLC as having a legitimate educational interest such that they are entitled to access to education records under” the statute. PCSB questions whether CAPCS has the legal authority to designate the management company employees as authorized under FERPA to have access to confidential student information, particularly if these employees do not work for an education agency or institution that is the recipient of certain federal funds.</p>	<p>Pursuant to the Family Educational Rights and Privacy Act Regulations (“FERPA”), 34 C.F.R. Subpart D, Section 99.31 (a)(1)(i)(B) (authorized by 20 U.S.C. § 1232g(b)(1)(D)), CAPCS has the legal authority to designate the management company’s employees as authorized under FERPA to have access to confidential student information.</p> <p><i>CAPCS then includes the language of the above regulation.</i></p>	<p>In response to our question whether CAPCS has the legal authority to designate CAPCSM LLC employees as authorized under the Family Educational Rights and Privacy Act (FERPA) to have access to confidential student information, you responded by citing FERPA regulations that authorize contractors to be considered a school official under certain provisions, one of which is if the contractor is under the direct control of the agency or institution with</p>

		<p>respect to the use and maintenance of education records. We understand your citation to this regulation to mean that any employee of CAPCSM LLC, with a legitimate educational interest in students' educational records is under the direct control of CAPCS with respect to use and maintenance of such records.</p>
<p>Finally, PCSB cautions CAPCS that despite the long list of authorized duties delegated to the management company under the agreement, generally the Board of Trustees cannot delegate away its fiduciary responsibilities under the SRA.</p>	<p>By contracting with a management company for the provision of the enumerated services, CAPCS has not “delegated away its fiduciary responsibilities” under the School Reform Act. Throughout the management agreement there are many statements that the decisions of the management company are subject to the approval and consent of the Board of Trustees of CAPCS.</p> <p><i>[CAPCS then includes the language of four clauses from its contract with CAPCS Management LLC: 3.2; 3.4(a); 3.4(b); and 3.4(e).]</i></p> <p>Additionally, CAPCS Management, LLC reports to and is subject to oversight and direction by CAPCS's Board, the Board Chair and the Board's Executive Committee on a regular basis and ongoing basis.</p>	
<p>Article 8, section 8.1(c)(1) entitled Fees, provides that CAPCS Management LLC will submit a detailed operations plan and budget for the coming year, and that CAPCS will pay CAPCS Management LLC a fixed fee. Section 8.3 further provides that CAPCS Management LLC will invoice CAPCS for this fixed fee on a quarterly basis. Please provide the detailed operation plan and quarterly invoices submitted to the school for consideration for each of the last five fiscal years (FY08 – FY12).</p>	<p>An annual budget for the coming school year is submitted by CAPCS Management LLC to CAPCS at the end of the school year (the last week of June). Based on the annual budget, equal monthly payments are made by CAPCS to CAPCS Management LLC for the 12 month period. By making prompt payments on a monthly basis, CAPCS has been able to negotiate a more favorable fee from CAPCS Management LLC. CAPCS has relied on this practice rather than invoices and operations plans. Previous Boards have been involved in the operations</p>	

	<p>activities of the management company although that was not documented.</p> <p>Pursuant to the Board’s fiduciary and oversight responsibilities, this provision as well as all of the other provisions governing the management agreement will be strictly adhered to. At the Board of Trustees meeting to be held on February 21, 2013, the Board will institute procedures for invoicing and following the terms of the agreement.</p>	
<p>Article 8, section 8.1.(c)(1) and 8.3 also provide that CAPCS may pay the management company a contingent fee based upon satisfactory management of CAPCS under the agreement (up to 3% of gross annual revenue and not to exceed the fixed fee), and that this fee will be invoiced on an annual basis. Please provide the annual invoices for the contingent fees and the basis for determining satisfactory management of CAPCS for the following years where applicable:</p>	<p>No contingent fees have been paid to CAPCS Management LLC.</p>	
<p>Article 8, section 8.1.9(c)(2) provides that “CAPCS Management LLC may receive a management fee for CAPCS Special Projects managed by [it] (sic) such as acquisition and renovation of additional properties, special education programs, and family services.” Please provide copies of all separate agreements for such special projects for each of the last five fiscal years (FY08 – FY12).</p>	<p>CAPCS Management LLC managed only one Special Project. The management company serves as the project manager for the major renovation project of the Amos 3 building and smaller renovation projects at the Amos 1, Amos 2, Butler and Rand campuses over a three year period. Bids solicited for the renovation project ranged from \$2-\$3 million. Due to the high costs, the management company served as the project manager for a fee of \$1.1 million.</p> <p>The payments to CAPCS Management LLC for the renovation project came from the proceeds of a \$25 million bond issued by the District of Columbia government. The amount of proceeds allocated in the bond proceeds for the renovation project was \$2.9 million, significantly</p>	

	<p>higher than the \$1.1 million invoiced by CAPCS Management LLC. CAPCS Management LLC performed at 62% below the amount allocated under the bond. Every invoice from CAPCS Management LLC was submitted to the Bank of New York for payment.</p> <p>The project was not performed under a separate agreement.</p>	
<p>Article 8, section 8.1(c)(3) provides that CAPCS Management LLC may receive a fee for monies raised through its efforts on behalf of the school through grants, gifts, and other means.” Please provide a copy of the separate agreement between CAPCS and CAPCS Management LLC detailing the terms of this fee. Also, please provide copies of all invoices associated with these fees for each of the last five fiscal years (FY08 – FY12). Finally, please provide a listing of any and all separate accounts for grants and gifts for the last five fiscal years (FY08-FY12).</p>	<p>CAPCS Management LLC has not engaged in fundraising activities on behalf of CAPCS and has not received any fees for fundraising activities. There have been no separate accounts for grants and gifts.</p>	
<p>Article 3, section 3.4 (a) entitled Subcontracting and Location of Performance, provides that CAPCS Management LLC may subcontract any and all services and it will do so in accordance with the charter and any other requirements that DCPS or the Board of Education may impose. Presumably, the intent was to also subcontract in accordance with the provisions of the SRA, which requires public charter schools to publish a notice of request for proposals for contracts above \$25,000. As required by the SRA, please provide copies of all bids received for each subcontract above \$25,000, the name of the subcontractor awarded each subcontract, and the rationale for the award of each subcontract for each of the last five fiscal years (FY08 – FY12). Please also note whether any contracts were awarded to related parties or might comprise a conflict of interest and, if so, identify in board minutes or other</p>	<p>CAPCS Management LLC has not issued any subcontracts.</p>	

<p>documentation where such conflict of interest was made known to all board members.</p>		
<p>Article 9, section 9.1. entitled Personnel, provides that “CAPCS Management LLC may subcontract for administrative services or human resource services for CAPCS.” Please provide copies of any and all subcontracts for administrative services and/or human resources services for each of the last five fiscal years (FY08 – FY12) as well as a schedule of salaries received by the three highest-paid employees of CAPCS Management LLC.</p>	<p>CAPCS Management LLC has not entered into subcontracts for administrative services and/or human resources services on behalf of CAPCS.</p> <p>CAPCS does not have information regarding the salaries received by the three highest-paid employees of CAPCS Management LLC. CAPCS Management LLC is a limited liability company, incorporated in the District of Columbia, serving as a contractor to CAPCS. The salaries paid by the management company to its employees are confidential business information, and it is outside of accepted business practices to require a contractor to provide its internal salary structure or to disclose the allocation of their revenue. For these reasons, we will not provide the PCSB with salaries paid by the management company to its employees.</p> <p>The CAPCS Board has determined that the average payment of 5.38% of CAPCS’s annual gross revenue to CAPCS Management LLC for the last 5 years is reasonable and fair.</p>	<p>Finally, amongst the documents PCSB requested, we requested a schedule of salaries received by the three highest-paid employees of CAPCSM LLC, to which you responded that CAPCS does not have this information because CAPCSM LLC is a limited liability company serving as a contractor to CAPCS. You further stated that salaries paid by the management company to its employees are confidential business information that is not customarily provided. However, Article 8, section 8.1(c)(1) of the management agreement specifically provides that “CAPCSM LLC will submit a detailed operation plan and budget for the coming year for the Board’s approval . . . The budget will include salaries and benefits for all CAPCSM LLC staff working under this Agreement.” It is based on this provision that PCSB requests the salaries received by the three highest-paid employees of CAPCSM LLC and CAPCSM LLC’s operational plan and budget, pursuant to its oversight authority to ensure compliance with applicable laws, including the SRA, which among other things provides that charter schools shall receive and disburse funds for public charter school purposes. We make this request under the authority of section 38-1802.11(a)(2) of the DC Code and must insist that it be complied with.</p>

With regards to the concerns raised during the 2011 PDR, PCSB staff now considers there to be adequate distinction between the roles and responsibilities of the CAPCS Board of Trustees and that of the management company. This distinction was documented by PCSB's receipt of the documents requested in its February reply letter to the CAPCS Board of Trustees.⁶⁶ Finally, ongoing communications with the CAPCS Board of Trustees will further ensure this clarity of roles.

Special Education Laws

Charter Schools are required to comply with Subchapter B of the Individuals with Disabilities Education Act⁶⁷ and Section 504 of the Rehabilitation Act of 1973.⁶⁸ In 2012, PCSB conducted a desktop audit of six special education indicators to assess CAPCS' compliance with these laws and the educational progress of its special education students.⁶⁹

Academic Performance of CAPCS Special Education Students

Federal special education laws are in place, among other reasons, to ensure that schools adequately assist students with disabilities in making academic progress. Thus, as part of the special education desktop audit, PCSB reviews how schools' students with disabilities performed on the DC-CAS.

Amos I: Over the past five years, students with disabilities at the Amos I campus have not demonstrated growth on the DC-CAS. These students' DC-CAS proficiency rates are consistently lower than the state average for students with disabilities, and these students' proficiency rates are significantly lower than those of their non-disabled peers at the Amos 1 campus.⁷⁰

Amos II: there is no DC-CAS data for students with disabilities available at this campus.

Amos III: the scores of students with disabilities at the Amos III campus decreased between 2010 and 2012 on the DC-CAS, while the achievement gap between the general school population and the special education population increased. In addition, proficiency rates have consistently fallen below the state average for students with disabilities.⁷¹

Butler: there is no DC-CAS data for students with disabilities available at this campus.

Online there is no DC-CAS data for students with disabilities available at this campus.

⁶⁶ CAPCS provided all such requested information, except for the salaries received by CAPCS Management LLC's three highest-paid employees, citing that this is not information shared by the management company with the CAPCS Board.

⁶⁷ 20 USC §1413(a)(5).

⁶⁸ 20 USC §794.

⁶⁹ See Community Academy PCS – Online Desktop Audit, attached to this document as Appendix BB.

⁷⁰ See Appendix BB.

⁷¹ See Appendix BB.

Compliance Review of Community Academy PCS by the District of Columbia Office of the State Superintendent

As part of the desktop audit, PCSB examines special education compliance and monitoring documentation prepared by the District of Columbia Office of the State Superintendent (“OSSE”). OSSE reports provide a comprehensive assessment of an LEA’s special education compliance, but do not report on compliance assessments at the campus-level. In 2010, OSSE determined that CAPCS was 68% compliant with special education requirements, and noted that the school “Need[ed] Assistance” in fulfilling all applicable federal and local special education regulations.⁷²

Additionally, OSSE reviewed CAPCS’ files for its students with disabilities, and determined that 25% of these files were not in compliance with applicable laws and regulations. The CAPCS LEA did not meet District of Columbia FFY 2010 AYP targets for the disability subgroup, less than 90% of noncompliance corrected within one year after identification of non-compliance, and that there were more than 5 LEA-level findings. Two years later, in 2012, OSSE again found CAPCS not to be adequately fulfilling reevaluation requirements.⁷³

Discriminatory Language in Community Academy PCS Charter Application

CAPCS included the following discriminatory language regarding students with disabilities in its charter application:

The Community Academy is committed to providing each “special needs” student with the basic required academic support. [...] We are confident that Community Academy can serve basically the same student populations as the traditional public schools, but with lower special education designations.

Such language must be removed from its charter if CAPCS is renewed; the school is required to serve all students with disabilities with a full continuum of services.

Financial Laws

Procurement Contracts

SRA §38-1802.04(c)(1) requires DC charter schools to utilize a competitive bidding process for any procurement contract \$25,000 or more, and within three days of awarding such a contract, to submit to PCSB all bids received, the contractor selected, and the rationale for which contractor was selected. To ensure compliance with this law, PCSB requires schools to submit a Determinations and Findings form to detail any qualifying procurement contract entered into.

⁷²See 2010 OSSE report, attached to this document as Appendix CC. OSSE uses the same determination levels as the United States Department of Education: (1) meets requirements; (2) needs assistance; (3) needs intervention; or (4) needs substantial intervention.

⁷³OSSE Quarterly Finding Report (June 29, 2012), attached to this document as Appendix DD.

CAPCS only submitted one Determination and Findings form for such contracts from 2009 to 2011. In the school's 2009-2010 and 2010-2011 audits, 67 \$25,000+ expenditures were identified for which CAPCS should have submitted a corresponding Determination and Findings form, but the submission of only one such indicated CAPCS was out of compliance with the contracting provision of the SRA during those periods. As of February 28, 2012, the school has submitted each of the outstanding Determinations and Findings forms for school years 2009-2010 and 2010-2011 per PCSB's request, curing this incompliance.

Timely Audits

The SRA requires schools to submit to PCSB an annual financial audit conducted by an independent certified public accountant or accounting firm.⁷⁴ Over the past four years, CAPCS has submitted all financial audits in a timely manner.

Submission of Information about Donors and Grantors

The SRA requires schools to submit to PCSB an annual list of all donors and grantors that have contributed monetary or in-kind donations having a value equal to or exceeding \$500.⁷⁵ CAPCS has fulfilled this requirement by reporting this information in its annual reports.

⁷⁴ SRA §38-1802.04(c)(11)(ix).

⁷⁵ SRA §38-1802.04(c)(11)(xi),

FISCAL MANAGEMENT AND ECONOMIC VIABILITY

The SRA requires the Board to revoke a charter at any time if it determines that the school:

- Has engaged in a pattern of nonadherence to generally accepted accounting principles;
- Has engaged in a pattern of fiscal mismanagement; or
- Is no longer economically viable.

As part of the 5-year charter review process, PCSB has reviewed CAPCS's financial record regarding these areas.

Adherence to Accounting Principles

The school has consistently adhered to generally accepted accounting principles, as established by the Financial Accounting Standards Board.

Fiscal Management

Per its audited financial statements, CAPCS has not engaged in fiscal mismanagement. The school's audit reports reflect sound accounting and internal controls, and no instances of incompliance that are required to be reported per the U.S. Government Accountability Office's Auditing Standards. The school has consistently submitted all necessary financial documents to PCSB in a timely manner.

Economic Viability

A review of annual audits indicates CAPCS is economically viable. One indicator of economic viability is a positive year-end annualized net income. CAPCS has concluded each of its last five fiscal periods with positive net income balances.

Another indicator of economic viability is net working capital⁷⁶ or the current ratio⁷⁷. Net working capital validates a school's ability to meet immediate financial obligations. CAPCS has struggled to successfully manage its working capital needs since the conclusion of FY2009. The school has generated working capital deficits of \$2MM in FY2010, \$1.7MM in FY2011, and \$650K in FY2012. The annualized deficits appear to be tapering off and, per school leadership, are expected to dissipate by the conclusion of FY2013. In addition to net working capital, the current ratio is another measure of economic sustainability. A current ratio greater than one points to a school's ability to satisfy its immediate financial obligations. CAPCS's current ratio has been lower than one at the conclusion of each of the last three fiscal years but has been increasing steadily as can be observed in the following table:

Fiscal Period	2008	2009	2010	2011	2012
Net Working capital	\$6,540,058	\$834,021	\$(2,050,104)	\$(1,696,785)	\$(658,852)
Liquidity ratio	2.17	1.29	0.66	0.74	0.89

⁷⁶ Current Assets less Current liabilities

⁷⁷ Current Assets divided by Current liabilities

However, the school does not have sufficient long-term solvency. PCSB recommends that schools accrue net asset reserves equal to three to six months of operational expenditures. For the financial period ending June 30, 2012, CAPCS’s total net assets approached \$6.4MM (up from \$1.4MM the prior year), and monthly expenditures were approximately \$2.6MM, indicating a net asset reserve of 2.5 months.

Fiscal Period	2008	2009	2010	2011	2012
Net Income	\$496,159	\$2,635,964	\$475,467	\$743,176	\$1,377,792
Cumulative Reserves	\$1,184,195	\$3,820,159	\$4,295,626	\$5,038,802	\$6,416,594

The chart below details CAPCS’s expenditures as a percentage of revenues. The school makes spending decisions appropriate for managing education programs. Program service and General and Administrative costs are in line with comparable industry amounts and PCSB financial metrics for general education charter schools.

**CAPCS: Expenditure as % of Revenues
(FY2008 -FY2012)**

- Personnel costs
- Direct Student costs
- Occupancy expenses
- General and administrative expenses

