



# **2013-14 Charter Renewal Report**

## **Ideal Academy Public Charter School**

**January 22, 2014**

DC Public Charter School Board  
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## **FINDINGS AND RECOMMENDATION**

After reviewing the renewal application<sup>1</sup> submitted by Ideal Academy Public Charter School (“Ideal PCS”), as well as the school’s record established by the District of Columbia Public Charter School Board (“PCSB”), PCSB has determined that the school has substantially met its goals and academic achievement expectations, and as such meets the standard for charter renewal set out in the District of Columbia School Reform Act of 1995 (the “School Reform Act” or the “SRA”).<sup>2</sup>

However, PCSB noted two significant weaknesses in the school’s renewal application.

First, the school’s student growth results are generally poor, and its math results are below the state average (other than a strong performance shown by the school’s eighth grade students in 2012-13).

Second, Ideal PCS’ financial condition is weak. The school was nearly closed in 2012 for not being economically viable. While loan restructuring removed this threat, the school continues to struggle with high debt burden and weak liquidity. Although operating surpluses over the past two years have modestly improved its economic position, this improvement must continue for the school to have acceptably strong financials.

Based on the above determinations, the PCSB Board voted 6-0 on January 22, 2014 to approve Ideal PCS’ renewal application, on the condition that its renewed charter agreement contain specific goals in (a) student growth in reading and math, (b) math proficiency, (c) financial strength.

## **INTRODUCTION**

### **School Overview**

Ideal PCS began operating in 1999 under the oversight of the District of Columbia Board of Education (“DC BOE”) and currently serves students in pre-kindergarten through eighth grade; it served students through twelfth grade until its high school was closed at the end of the 2010-2011 school year. In 2007, after the passage of the Public Education Reform Amendment Act dissolved the DC BOE, PCSB became the authorizer for Ideal PCS. Ideal PCS’ demographics and overall performance data are summarized in the table below.

Campus	Ward	Year Opened	Grades Served	2013-14 Enrollment	10-11 PMF	11-12 PMF	12-13 PMF
Ideal PCS	4	1999	PK–8	280	38.1% Tier 2	29.7% Tier 3	44.0% Tier 2

<sup>1</sup> See Ideal PCS Renewal Application, attached to this report as Appendix A.

<sup>2</sup> “...[T]he eligible chartering authority shall not approve such [renewal] application if the eligible chartering authority determines that...[t]he school failed to meet the goals and student academic achievement expectations set forth in its charter.” SRA §38-1802.12(c)(2). Sections 1 and 2 of this report serve as the analytical support for this recommendation.

## **Previous Charter Reviews**

### **2006-07 Charter Review**

In 2006-07, as it transitioned from the DC BOE to PCSB's authorization, the school (that at that time served grades PK3 through 12) underwent a charter review, in which it was noted that the school had not updated its accountability plan establishing five-year targets for academic and non-academic performance, and also failed to implement a school improvement plan to identify at-risk students.<sup>3</sup> Additionally, the review recommended (1) integration of a character education program; (2) implementation of a structured teacher mentoring program; (3) instruction to teachers lacking formal training on classroom management and lesson planning techniques; and (4) creation of a school culture meeting the needs of middle and high school students.<sup>4</sup>

### **2010-11 Charter Review**

In 2010-11, PCSB conducted a review of Ideal PCS, and found that the school (1) lacked a fully developed instructional program for high school students; (2) demonstrated poor academic performance, as indicated by DC CAS data; (3) failed to comply with federal requirements for educating special needs students; and (4) failed to comply with federal requirements for educating English Language Learners.<sup>5</sup> As a result of this review, PCSB staff recommended to the PCSB Board that it revoke the school's charter, and the PCSB Board voted to initiate revocation in March 2011.<sup>6</sup>

In response to facing charter revocation, Ideal PCS' Board of Trustees voted to close the upper school in May 2011,<sup>7</sup> submitting revised charter goals for its elementary school. Later that month, the PCSB Board voted to stop revocation proceedings.<sup>8</sup>

## **Renewal Standard**

On June 14, 2014, Ideal PCS' charter will expire, and on October 25, 2013 the school's board of trustees submitted to PCSB an application to renew the school's charter for a second fifteen-year term. The standard for charter renewal, as established by the SRA, is that "PCSB shall approve a school's renewal application, except that PCSB shall not approve the application if it determines one or both of the following:

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<sup>3</sup> See Ideal PCS, 5-Year Review, p. 4, 5, 13-14, 16, attached to this report as Appendix B. This report was completed by a consulting firm in accordance to PCSB's review process in place at that time. The same consulting firm conducted the charter reviews that year of all schools transitioning from the DC BOE to PCSB.

<sup>4</sup> See Appendix B, p. 11, 12, 15, 18.

<sup>5</sup> See Ideal PCS, 10-Year Review, p. 1-4, attached to this report as Appendix C.

<sup>6</sup> See PCSB Board Meeting Minutes, dated March 29, 2011, p. 8-11, attached to this report as Appendix D; see also Letter to Patricia Cooks, Board Chair, Ideal PCS, from Brian Jones, Board Chair, PCSB, dated March 30, 2011, attached to this report as Appendix E.

<sup>7</sup> See Letter to Brian Jones, Board Chair, PCSB, from Patricia Cooks, Board Chair, Ideal PCS, dated May 9, 2011, attached to this report as Appendix F.

<sup>8</sup> PCSB Board Meeting Minutes, dated May 16, 2011, p. 12-13, attached to this report as Appendix G.

- (1) The school committed a material violation of applicable laws or a material violation of the conditions, terms, standards, or procedures set forth in its charter, including violations relating to the education of children with disabilities; or
- (2) The school failed to meet the goals and student academic achievement expectations set forth in its charter.”<sup>9</sup>

Separate and apart from the renewal process, PCSB is required by the SRA to revoke a school’s charter if PCSB determines that the school (1) has engaged in a pattern of nonadherence to generally accepted accounting principles; (2) has engaged in a pattern of fiscal mismanagement; and/or (3) is no longer economically viable.<sup>10</sup>

Given the SRA’s standard for charter renewal, as well as PCSB’s obligation to revoke a school’s charter if it has engaged in the above types of fiscal misconduct or is otherwise economically nonviable, this report is organized into three sections. Sections One and Two are analyses of the school’s academic performance and legal compliance, respectively, and serve as the basis for PCSB renewal decision. Section Three is an analysis of the school’s fiscal performance – included so that in the case that a school is found to have met the standard for charter renewal but to have also engaged in fiscal misconduct, PCSB staff can advise the PCSB Board accordingly.

### **PCSB renewal analysis and decision**

PCSB has determined that Ideal PCS has substantially met its goals and academic achievement expectations. Based on this determination, and the weaknesses identified in the first section of this report, the PCSB Board voted 6-0 on January 22, 2014 to approve Ideal PCS’ renewal application, on the condition that its renewed charter agreement contain specific goals in (a) student growth in reading and math, (b) math proficiency, (c) financial strength.

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<sup>9</sup> SRA §38-1802.12(c).

<sup>10</sup> SRA §38-1802.13(b).

**SECTION ONE: GOALS AND ACADEMIC ACHIEVEMENT EXPECTATIONS**

The SRA provides that PCSB shall not approve a charter renewal application if the school has failed to meet its goals and student academic achievement expectations (“academic expectations”) in its charter agreement.<sup>11</sup> Goals are general aims (usually related to a school’s mission), which may be categorized as academic, non-academic, and organizational, whereas academic expectations are student academic aims measured by assessments.

In its renewal assessment, PCSB only analyzes goals and academic expectations that were included in a school’s charter, charter amendment, or accountability plans that were originally included in a school’s charter application and periodically updated and approved by the PCSB Board (collectively, the “Charter”). For goals and expectations that were not consistently pursued over the course of the school’s Charter, or were not historically measured by the school, it is noted in this report that they were “not historically measured.”

In November 2011, the PCSB Board approved a petition submitted by the school to amend its goals and academic expectations. The school’s original and amended goals are detailed in the table below. For the most part, its amended goals and academic expectations are substantively similar to its original goals, allowing for one analysis from 2009-10 to the present. PCSB has determined that Ideal PCS has met three goals, partially met another goal, and substantially met its academic achievement expectation. The table below summarizes these determinations, which are detailed in the body of this report.

<b>Goal or Expectation</b>		<b>Met?</b>
<b>Original</b>	<b>Amended</b>	
1 Each student will grow developmentally to achieve their highest academic potential in mathematics, science, reading, language arts, and technology.	Each student will achieve his/her highest academic potential in mathematics and literacy, which would be integrated into social studies, science, foreign language, and the fine arts through curriculum integration.	Substantially
2 Each student will learn to become self-actualized; that is, to tap into their higher mind or state of consciousness as a source of personal achievement.	Each student will learn to handle challenges and stress.	Partially
3 Each student will progressively manifest strong positive values and a steadfast, productive character, which will allow him or her to live together with others harmoniously as contributing, self-reliant and interdependent members of society.	Each student will demonstrate positive values and character traits, which will allow him/her to live harmoniously as members of a global society.	Yes

<sup>11</sup> SRA §38-1802.12(c)(2).

<p>4 Students will learn to be self-assured. They will learn the contribution, which their own root race has contributed to human growth as a foundation from which they learn about the achievements of the other root races of humanity. They will thereby be empowered to see and appreciate the “oneness” of human experience, which supersedes differences related to race, culture, sex, age, and other difference such as the presence of disabilities and social status; appreciate cultural diversity; and realize the good that each racial group has contributed to the family of humankind.</p>	<p>Each student will learn to gain confidence in himself/herself through their understanding and appreciation of their own heritage. This will empower him/her to accept cultural diversity.</p>	<p>Yes</p>
<p>5 Students will learn how to appreciate and experience fine arts, to develop the capability to “think” creatively, to develop their own creativity, intuition and critical thinking skills to apply their creative genius in every day situations in order to solve problems and to enrich the lives of themselves and their neighbors.</p>	<p><i>This goal was struck.</i></p>	<p>Yes (until 2011)</p>

**1. Original Academic Expectation: Each student will grow developmentally to achieve their highest academic potential in: mathematics, science, reading, language arts, and technology.**

**As amended (11/2011): Each student will achieve his/her highest academic potential in mathematics and literacy, which would be integrated into social studies, science, foreign language, and the fine arts through curriculum integration.**

Along with this amended goal, the school included a list of performance and gateway measures for its pre-kindergarten through eighth grade students, which identified seven specific targets and assessments. These measures are indicators of whether the school has met its overall academic achievement expectation – that each student will achieve his or her highest academic potential in math and literacy. As such, the failure to meet one or more of the measures does not necessarily mean the school has failed to meet this academic achievement expectation, but rather is one of several indicators PCSB weighed in determining whether the school met this academic expectation. Below is the school’s list of measures:

**Performance and Gateway Measures**

1. 70% of all pre-school (3-year-old) students will score at or above the benchmark level on the Phonological Awareness Literacy Screening (“PALS”) assessment.
2. 80% of all pre-kindergarten (4-year-old) students will score at or above benchmark on the PALS.
3. 70% of all students in grades K-8 will meet their individual growth target as defined by Discovery Education Interim Benchmark Assessment (“Discovery assessment”).

4. 70% of students in grades K-2 will score at or above the 70th percentile in reading and mathematics on the Stanford 10 Achievement Series (“SAT-10”).
5. 65% of all students in grades 3-8 will score at or above proficient in reading and mathematics on the state assessment.
6. At least 65% of the students in grade 3 will score at or above proficient in reading.
7. At least 65% of the students in grade 8 will score at or above proficient in mathematics.

In addition to the seven performance and gateway measures, the school’s early childhood program has consistently been measured according to “early childhood accountability plans” which contain additional metrics beyond those outlined in the above Performance and Gateway measures. These metrics were also considered, along with all other data provided to PCSB.

**Assessment: Ideal PCS has substantially met this academic expectation.** The assessment as to whether or not Ideal PCS has met this academic expectation is particularly complex given the variety of indicators and the range of the school’s academic results. On the whole, PCSB concludes that the school substantially met this academic expectation based on the following analysis, which is summarized as follows, and detailed below.

- a. Performance and gateway measures. As detailed below, the school met two of the seven “performance and gateway measures,” partially met two more, and failed to meet three measures. However, of the three indicators that the school did not achieve two involve targets set far above the state proficiency rates. While Ideal PCS did not meet these targets, the school’s reading proficiency rate is at the state average and its math proficiency rate is slightly below the state average. In previous renewal assessments PCSB has used state average proficiency as a benchmark for schools with loosely-stated academic achievement expectations.
- b. Early childhood performance. Ideal PCS’ early childhood literacy performance, as measured by its early childhood accountability plans, is generally strong. Growth targets were consistently met and achievement targets were often met. The school’s performance in its early childhood math program, as measured by its single 2012-13 accountability plan target, is very strong.
- c. Academic proficiency. The school’s academic proficiency has improved over the past two years.
- d. Academic growth. The school’s reading and math academic growth is relatively poor.
- e. Qualitative evidence. Generally weak qualitative evidence provides some causality to the school’s low growth rates.

While PCSB concludes that Ideal PCS has substantially met its academic expectation, the school’s generally poor student academic growth is troubling. Over the past three years in reading and math the school only exceeded the state average for academic growth once, in reading for 2012-13.



In addition, during on-site Qualitative Site Reviews PCSB reviewers observed inconsistent and often low levels of rigor in the classrooms. These weaknesses must be addressed in the coming years and should be linked to one or more specific and measurable goals and academic expectations in the school’s renewed charter agreement.

a. **Performance and Gateway Measures**

In its 2011 amendment, Ideal PCS included seven “performance” and “gateway” measurements that would support whether the school had met this goal. The school met two (shown as green), partially met two (shown as yellow), and did not meet three of these performance measures (shown as red). Results where a sub-goal was not met but where results were at or above state averages are shown as red with green diagonal stripe. Results where a subgoal was not met but where results were below but within three points of state averages are shown as red with a light green tint. As shown, while the school did not meet measures five and six, it achieved proficiency results at or near the state average. In other renewals in which a school has a loosely-written academic expectation, PCSB has looked to state proficiency averages as a benchmark to determine whether a school has met the expectation it set.

Performance/gateway measurements included in 2011 charter amendment					
	Met?	11-12		12-13	
1. 70% of all PK3 students will score at or above the benchmark level on the PALS assessment.	Yes	89% of PK3 students met target		84% of PK3 students met target	
2. 80% of all PK4 students will score at or above benchmark on the PALS assessment.	Yes	99% of PK4 students met target		81% of PK4 students met target	
		R	M	R	M
3. 70% of students in grades K-8 will meet their individual growth target as defined by Discovery Education Interim Benchmark Assessment.	No	Supporting data not provided in a timely manner	Supporting data not provided in a timely manner	Below 70% scored at or above 70th percentile	Below 70% scored at or above 70th percentile
4. 70% of students in grades K-2 will score at or above the 70th percentile in reading and math on the SAT-10 assessment.	Partially	56.3% scored at or above 70th percentile	No supporting data provided	94.0% scored at or above 70th percentile	No supporting data Provided
5. 65% of all students in grades 3-8 will score at or above proficient in reading and math on the state assessment.	No	43.6% proficient	37.6% proficient	50.0% proficient	50% proficient
6. At least 65% of the students in grade 3 will score at or above proficient in reading.	No	50.0% scored proficient	N/A	47.8% proficient	N/A
7. At least 65% of students in grade 8 will score at or above proficient in math.	Partially	N/A	44.4% proficient	N/A	80.0% proficient

**b. Pre-Kindergarten through Second Grade Literacy Performance**

Since 2010-11, Ideal PCS has met all of its literacy progress indicators and many of its literary achievement indicators included in its Early Childhood Accountability Plans.

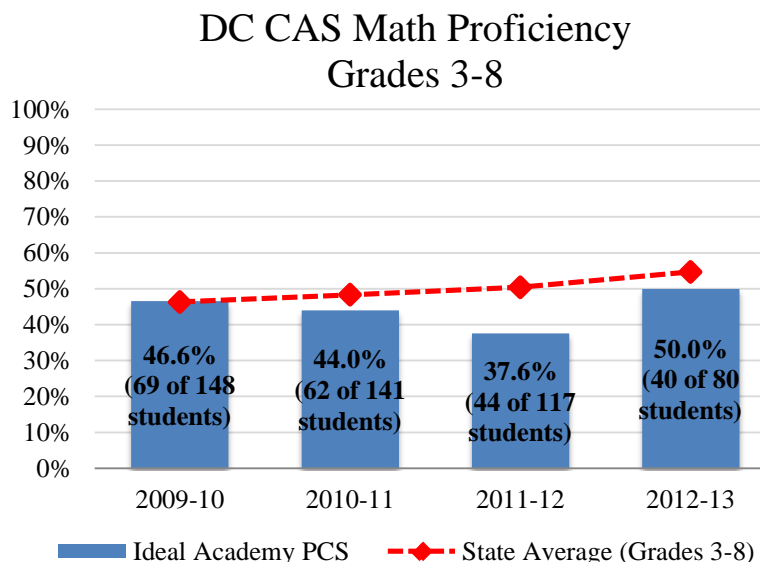
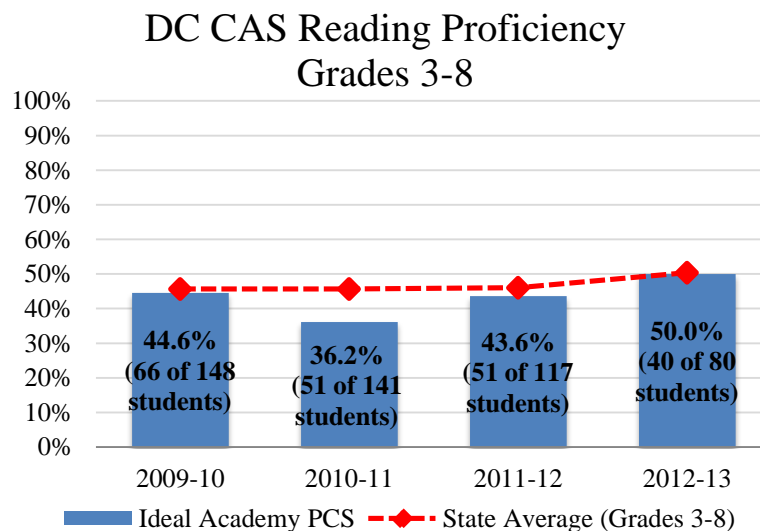
<b>Ideal PCS Early Childhood Literacy Progress</b>		
<b>Year</b>	<b>Target</b>	<b>Target Met?</b>
2010-11	70% of PK3 students will score at or above the benchmark level on the PALS.	<b>Yes</b> 70.5% of students scored at or above the benchmark level.
	80% of PK4 students will score at or above the benchmark level on the PALS.	<b>Yes</b> 98.5% of students scored at or above the benchmark level.
2011-12	70% of PK3 and PK4 students will progress to the spring developmental range in letter identification, print/word awareness, and rhyme by the spring administration of PALS.	<b>Yes</b> 87.4% of prekindergarten students progressed to the spring developmental range.
	70% of kindergarten through second-grade students will progress to proficient in reading, or maintain proficiency, by the spring administration on the Discovery Benchmark Assessment.	<b>Yes</b> 86.8% of students progressed to proficient or maintained proficiency.
2012-13	60% of PK3 and PK4 students will advance to the spring developmental range in literacy/language on the PALS.	<b>Yes</b> 81.0% of prekindergarten students advanced to the spring developmental range.
	60% of kindergarten through second-grade students will achieve average growth or higher in reading on the Discovery Predictive Assessment.	<b>Yes</b> 82.0% of students met this goal.
<b>Ideal PCS Early Childhood Literacy Achievement</b>		
2010-11	80% of kindergarten students will score at or above the 70 <sup>th</sup> percentile in reading on the SAT-10.	<b>Yes</b> 92% of students scored at or above the 70 <sup>th</sup> percentile.
	80% of first-grade students will score at or above the 70 <sup>th</sup> percentile in reading on the SAT-10.	<b>No</b> 69.5% of students scored at or above the 70 <sup>th</sup> percentile.
2011-12	80% of second-grade students will score at or above the 70 <sup>th</sup> percentile in reading on the SAT-10.	<b>No</b> 42% of students scored at or above the 70 <sup>th</sup> percentile.
	70% of kindergarten through second-grade students will score at or above the 70 <sup>th</sup> percentile in reading on the SAT-10.	<b>No</b> 56.3% of students scored at or above the 70 <sup>th</sup> percentile.
2012-13	60% of kindergarten through second-grade students will score a stanine four or higher in reading on the SAT-10.	<b>Yes</b> 94.0% of students met this goal.

The school set and met an early childhood target related to numeracy in 2012-13, but did not set any early childhood targets related to numeracy for prior school years.

Ideal PCS Early Childhood Numeracy Progress		
Year	Target	Target Met?
2012-13	60% of kindergarten through second-grade students will score a stanine four or higher in mathematics on the SAT-10.	<b>Yes</b> 93.0% of students scored a stanine four or higher.

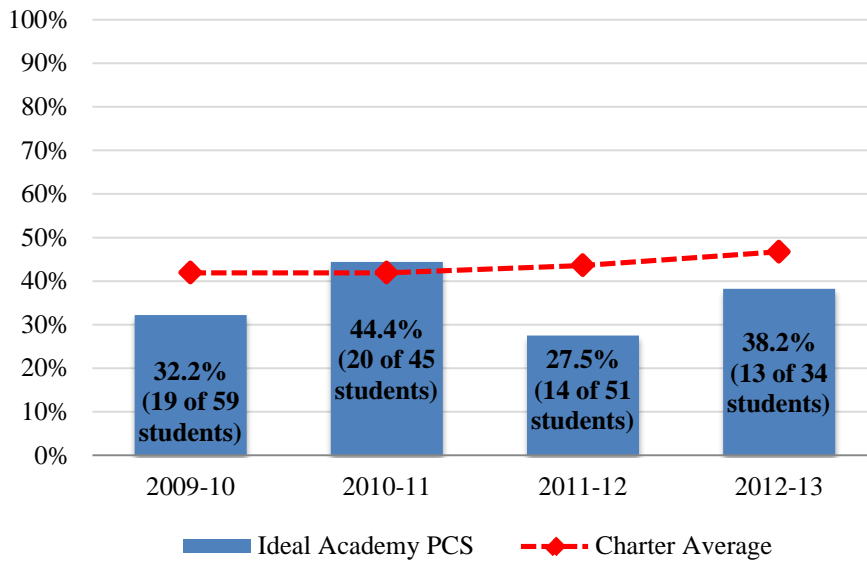
**c. Overall academic performance has improved over the past two years**

In both reading and math, school performance is stronger than it was two years ago, and is at or near state averages.



Ideal PCS’ science proficiency rate was above the public charter average in 2010-11, its proficiency dropped the following year, and has been below the charter rate in the two most recent school years.

### DC CAS Science Proficiency Rates: Grades 5 and 8



#### Students with Disabilities

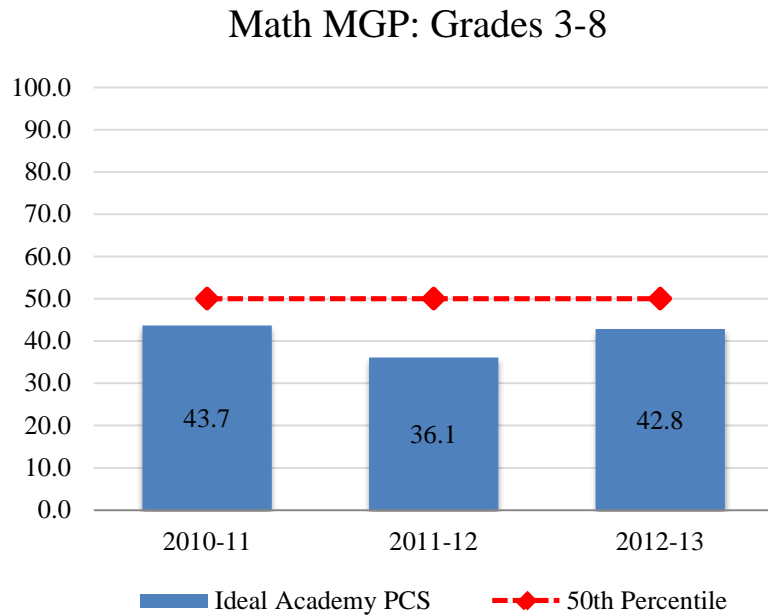
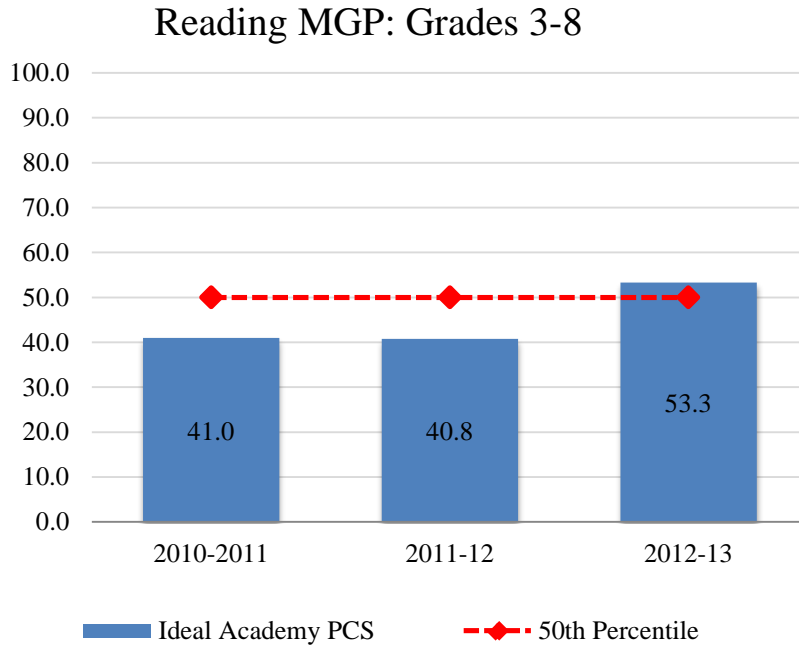
In school year 2012-13 8.6% of Ideal PCS’ total student population was identified as students with disabilities (“SWD”) requiring special education programming, compared to the state rate of 13.3%. The table below compares the percentage of the school’s SWD population at each special education service level to that of the state average. The school’s special education population is too small for its reading or math proficiency to be reported separately.

Percentage of students with disabilities identified at each special education service level <sup>12</sup>				
	Level 1	Level 2	Level 3	Level 4
<b>Ideal PCS</b>	66.7%	26.7%	6.7%	0.0%
<b>District of Columbia</b>	36.1%	32.1%	11.5%	20.3%

<sup>12</sup> 2013-14 Special Education demographic data as of October 2013 from OSSE’s Statewide Longitudinal Education Data System (“SLED”).

d. **Reading and Math Growth**

The school's academic growth is generally poor. Over the past three years Ideal PCS has achieved the state average for student growth in only one year, for one subject (reading in 2013).



e. **Qualitative evidence provides some causality to the school’s low growth rates.**

In January and February 2013, PCSB conducted a Qualitative Site Review (“QSR”) of Ideal PCS, in which the following was observed.

In aligning its day-to-day operations and activities with its mission, the review team observed a lack of consistency in academic rigor across the school. Overall, the teaching and materials did not appear to be at the right level to challenge students and compel “academic excellence.” Several students stated that they would like to be challenged more; teachers were not observed to be differentiating lessons and instructional delivery varied across classes. Most classes relied on low-level questioning and students were expected to merely repeat back what the teacher told them.<sup>13</sup>

2. **Original goal: Each student will learn to become self-actualized; that is, to tap into their higher mind or state of consciousness as a source of personal achievement.**

**As amended: Each student will learn to handle challenges and stress.** In its charter amendment of 2010-11, Ideal PCS provided three performance measures related to this goal. They are as follows:

**Performance measurements**

- 10% decrease in the number of referrals for behavior.
- 10% decrease in the number of suspensions
- 10% increase in academic growth

**Assessment: Ideal PCS has partially met this goal.** The school met one of the three performance measurements it included in its 2011 amendment, did not provide evidence to show goal attainment of one goal, and failed to meet one target.

<b>Performance Measurements</b>	<b>Met?</b>
10% decrease in the number of referrals for behavior.	<b>No</b> Referrals did not decrease by 10% from 2011-12 to 2012-13. Ideal PCS noted in an October 2013 on-site review that it has increasingly relied on behavior referrals to minimize student out-of-school suspensions.
10% decrease in the number of suspensions	<b>Yes</b> The school’s out-of-school suspension rate dropped by 46% from 2011-12 to 2012-13.
10% increase in academic growth on Discovery assessment	The school did not provide supporting data in time to be included in this report.

<sup>13</sup> Ideal PCS QSR Report, dated April 29, 2013, attached to this report as Appendix H.

### Out-of-School Suspensions

In each of the past two years, the rate of Ideal PCS students receiving out of school suspensions has been below the public charter average. The school met its performance measurement associated with this indicator, with its suspension rate dropping by 46% from 2011-12 to 2012-13.

Out-of-School Suspensions				
	09-10	10-11	11-12	12-13
Ideal PCS	-	-	10% (27 students)	5.4% (7 students)
Charter Sector	-	-	12.6%	14.5%

Long-Term Suspensions (10+ Days)				
	09-10	10-11	11-12	12-13 <sup>14</sup>
Ideal PCS	-	1%	1% (4 students)	0.0%
Charter Sector	-	-	1%	0.3%

### Meditative Skills Programming

All students participate in Ideal PCS’ “Quiet Time” program both at the beginning and end of the school day. The school describes how different aged students participate in this meditative program:

- Prekindergarten through second grade students participate in “settling” activities, including coloring;
- Third and fourth grade students spend Quiet Time silently reading; and
- Fifth through eighth grade students practice transcendental meditation, which the school describes as “an effective tool that gives the mind and body deep rest, releasing stress and fatigue.”<sup>15</sup>

The school provided examples of student and teacher reflections on the importance of this meditative period. Selections of these reflections are as follows.

- A sixth grade student noted that participating in Quiet Time assisted her in focusing more on schoolwork and feeling less tired in the morning;
- An eighth grade student noted that her “attitude and behavior has improved...”;
- A student noticed that “his grades are good because I think better in my classes”; and
- A student noted she felt more responsible, and that she felt like a leader.<sup>16</sup>

<sup>14</sup> In 2012-13, PCSB defined long-term suspension as 11 or more days.

<sup>15</sup> See Ideal PCS Quiet Time Overview, attached to this report as Appendix I.

### Student Support Services

The school provides on-site counseling and psychological support services to its students. These services include, among other things:

- Counseling, instruction and mentoring for those struggling with social, emotional and behavior problems; and
- Reinforcing communication and social skills, problem solving, anger management, self-regulation, self-determination, and optimism.<sup>17</sup>

### Qualitative Evidence

In January and February 2013, the PCSB QSR team conducted a site review of Ideal PCS, in which the following was observed:

The QSR team observed “quiet-time meditation” taking place twice a day for fifteen minutes, which is part of the master schedule. During the administrator focus group, the Quiet Time Director told the QSR team that the school uses quiet time to center the students and to assist in clearing their minds to prepare each student for the day's learning. The Quiet Time Director also said that starting at the age of ten; students learn the art of meditation, which students will practice daily through eighth grade. During quiet times, the review team observed students under the age of ten preparing for the day by quietly drawing, journaling, or reading. The older students appeared to be meditating for the fifteen minutes.

3. **Original goal: Each student will progressively manifest strong positive values and steadfast, productive character, which will allow him or her to live together with others harmoniously as contributing self-reliant and interdependent members of society.**

**As amended: Each student will demonstrate positive values and character traits which will allow him/her to live harmoniously as members of a global society.** In its amendment, Ideal PCS included a performance measure that it committed to meet in order to show that the goal was met: that 97% of all students in grades pre-school-8 will grow at least one level of Gradual Release of Responsibility by the end of the school year.

**Assessment: Ideal PCS has met this goal.** While the school did not consistently track the performance measurement included in its 2011 amendment, it submitted evidence in its renewal application that supported that Ideal PCS students demonstrate the positive values and character traits emphasized through the school's character development program.

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<sup>16</sup> See Ideal PCS Quiet Time reflections, attached to this report as Appendix J.

<sup>17</sup> See Ideal PCS Overview of Psychology and Counseling Services, attached to this report as Appendix K.



### Character Development Programming

In its charter renewal application the school describes its character development program, called the “Ideal Person” program, focused on the Naguza Saba principles or the seven principles of Kwanzaa. The evidence submitted by the school included a detailed description of the program, in which Ideal PCS students learn about two character traits embodied in the Naguza Saba principles each month.

The school included examples of lesson plans for multiple grade levels incorporating at least one of these principles as well as sample activities used to have students reflect on the principles. Additionally, the school provided evidence that students are held accountable for demonstrating the principles through the submission of sample character progress charts awarding students grades based on their character development progress.

### Community Partnerships

Ideal PCS provided evidence of student attendance at community events tied to the principles at the center of its character development program, including a description of a play students saw at the Smithsonian Discovery Theater. The school also included examples of community partnerships and events to provide students with additional mentoring opportunities to foster the development of positive values. Examples of mentoring programming include:

- A multigenerational breakfast event for male students supported by the Fatherhood Education and Empowerment Development (FEED) program of the Healthy Families/Thriving Communities Collaborative Council as well as the community organization Concerned Black Men of DC;
- Ongoing mentoring collaborative program in partnership with the Concerned Black Men of DC; and
- Student attendance at the Brother 2 Brother Youth Conference, sponsored by Alpha Phi Alpha Fraternity, Inc., Beta Chapter.

### Qualitative Evidence

In January and February 2013, the PCSB QSR team conducted a site review of Ideal PCS, in which the following was observed.

The school promotes the seven principles of Nguzo Saba: unity, cooperative economics, purpose, creativity, never give up, culture work, responsibility, and self-determination. A sign featuring the seven principles was posted in every classroom observed... In a couple of classroom observations, the teacher explicitly incorporated these principles into their lesson. The teachers in the focus group said the purpose of promoting these principles is to help students stay in a calm state so they can learn. In this way, the seven principals worked as a behavioral management and character education tool. The review team observed teachers telling students

how to apply these principals outside the classroom as well. A student in the focus group stated, “The principles tell you how to control yourself and how to take responsibility for yourself.”<sup>18</sup>

**4. Original goal: Each student will learn to gain confidence in himself/herself through their understanding and appreciation of their own heritage. This will empower him/her to accept cultural diversity.**

**As amended: Students will learn to be self-assured. They will study the contributions their root race has made to human growth, as a foundation from which to learn about the achievements of other root races of humanity. They will see and appreciate the oneness of human experience that supersedes differences related to race, culture, sex, age, disabilities and social studies. They will gain appreciation for cultural diversity and recognize the good that each racial group has contributed to the family of humankind.**

**The school included a performance measure in its 2011 charter amendment that it committed to meet: 93% of students will exhibit positive growth in the appreciation of themselves and others.**

**Assessment: Ideal PCS has met this goal.** While the school did not measure this goal according to the performance measure it described in its charter amendment, the school incorporates its Ideal Person program into its academic classes, and also sponsors numerous heritage and cultural programs and activities for its students.

#### Ideal Person Program

In its charter renewal submission, Ideal PCS describes its Ideal Person program, in which students study the qualities of the “Ideal Person,” which are related to the Nguza Saba (the Seven Principles of Kwanza). Also through this program, “students study famous African-American, Hispanic-American or others who have attained success via the Nguzo Saba.”<sup>19</sup> The entire Ideal PCS faculty and staff encourage students in developing as an Ideal Person by awarding points to students who exhibit positive behavior and traits. Ideal PCS monitors student growth through this character program throughout the school year.

#### Incorporation of the Ideal Person Program into Academic Classes

Ideal PCs provided numerous examples of lesson plans that incorporate the Nguzo Saba into its core subject areas, including:

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<sup>18</sup> See Appendix H.

<sup>19</sup> See Ideal PCS Overview of Ideal Person Program, attached to this report as Appendix L.

- A social studies lesson that incorporates Kujichagulia (self-determination and responsibility for personal choices) by studying Mary McLeod Bethune and Martin Luther King, Jr. and how they embodied this characteristic;
- A second grade math lesson about telling time that incorporates Umoja (unity) through learning activities that students complete in teams; and
- A language arts lesson in which students read about the Kwanzaa principles and create a poster illustrating these principles;
- A pre-kindergarten lesson about cultural celebrations, including Ramadan, Devali, Sankta Lucia, Chanukah, Los Posadas, Christmas, and Kwanzaa.

### Cultural Events and Programming

In its renewal submission, the school provides documentation of numerous cultural events that it sponsors, including:

- A celebration of black history month, which included the guest speaker Paula Young Shelton, daughter of former U.N. ambassador Andrew Young, who spoke about her experience “growing up as a child during the civil rights era, and her personal relationships and conversations with notable civil rights activists and leaders...”;
- A field trip to the National geographic Society, which featured an exhibit of African-American contributions to the United States;
- A program featuring Lieutenant Lloyd Shults, a member of the Tuskegee Airman, a group of African-American pilots who fought in World War II;
- Middle school male students participating in Howard University’s “Brother 2 Brother Conference, a two-day event on the Howard University campus that “encourages young African American males to pursue higher education, strive for excellence and realization of their goals, become responsible men, and to provide them with positive male role models”;
- Performance by fifth grade students of the play, *Midnight and the Black History Museum*;
- A pre-kindergarten field trip to the Smithsonian Discovery theater to attend a performance of “The Seasons of Light,” which celebrated the Winter Solstice and cultural celebrations of this season; and
- A series of field trips sponsored by Concerned Black Men, which has partnered with Ideal PCS over the course of several years to provide mentoring services to the school’s male students.<sup>20</sup>

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<sup>20</sup> See Ideal PCS submissions regarding cultural programming, attached to this report as Appendix M.

### Community Partnerships

The school submitted evidence of student engagement in partnership with community organizations centered on the Nguzo Saba principles and African and local heritage themes. Examples of these partnerships are:

- A mural designed and painted by Ideal PCS students in partnership with the National Museum of African Art, Smithsonian Institution;
- Student decoration of the DC Christmas tree for the National Christmas Tree Display under supervision of artist Patricia Smith;
- A field trip to the Corcoran to see an exhibit focused on African-American artists; and
- A playground built in partnership with Home Depot to illustrate the principle of Unity.

5. Original goal: **Students will learn how to appreciate and experience fine arts; develop intuitive, critical and creative thinking as well as their creativity and to apply this creative genius in everyday situations, in order to solve problems and to enrich their lives and others.**

As amended: This goal was struck.

Assessment: **Ideal PCS has met this goal.** The school pursued this goal until it amended its charter in 2010-11, and has continued to incorporate arts and creativity into its programming.

The school provided example of how Ideal PCS students are exposed to fine art, including:

- In 2012, the D.C. Commission on the Arts and humanities selected Ideal PCS, under the supervision of local artist Patricia Smith, to design and create the ornaments for the District of Columbia's tree in the White House National Christmas Tree display;
- A 2010 partnership with the Smithsonian Institution's National Museum of African Art to create a mural at the school depicting paintings found on homes of the Ndebele people of South Africa;
- Student participation in Shakespeare Steps Out, an educational outreach program sponsored by the Folger Shakespeare Library for third through sixth grade students;
- A field trip to the Corcoran Gallery to view an American art exhibit; and
- A school-sponsored drama club that performs African plays.<sup>21</sup>

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<sup>21</sup> See Ideal PCS submissions regarding its fine arts programming, attached to this report as Appendix N.

## **SECTION TWO: COMPLIANCE WITH APPLICABLE LAWS**

The SRA requires that PCSB not approve a renewal application if it determines that the school has materially violated applicable laws.<sup>22</sup> The SRA contains a non-exhaustive list of applicable laws, and PCSB also monitors charter schools for compliance with additional laws. The following section identifies these laws and includes a determination of whether Ideal PCS has complied with these laws.

Since 2009-10, Ideal PCS substantially complied with all applicable laws assessed in PCSB’s annual compliance review, as detailed in the table below.

<b>Summary of 2009-10 to 2013-14 Compliance Reports</b>		
<b>Compliance Item</b>	<b>Description</b>	<b>School’s Compliance Status from 2009-10 to present</b>
<b>Fair enrollment process</b> SRA § 38-1802.06	DC charter schools must have a fair and open enrollment process that randomly selects applicants and does not discriminate against students.	Compliant since 2009-10
<b>Notice and due process for suspensions and expulsions</b> SRA § 38-1802.06(g)	DC charter school discipline policies must afford students due process <sup>23</sup> and the school must distribute such policies to students and parents.	School did not publish its discipline policy in 2009-10; school cured this noncompliance in 2010-11
<b>Student health and safety</b> SRA § 38-1802.04 (c)(4); DC Code §4-1321.02; DC Code § 38-651	The SRA requires DC charter schools to maintain the health and safety of its students. <sup>24</sup> To ensure that schools adhere to this clause, PCSB monitors schools for various indicators, including but not limited to whether schools: <ul style="list-style-type: none"> <li>- have qualified staff members that can administer medications;</li> <li>- conduct background checks for all school employees and volunteers; and</li> <li>- have an emergency response plan in place and conduct emergency</li> </ul>	Compliant since 2009-10

<sup>22</sup> SRA § 38.1802.12 (c).

<sup>23</sup> See *Goss v. Lopez*, 419 U.S. 565 (1975).

<sup>24</sup> SRA § 38.1802.04 (c)(4)(A).

	drills as required by DC code and regulations.	
<b>Equal employment</b> SRA §§ 38-1802(c)(5)	A DC charter school’s employment policies must comply with federal and local employment laws and regulations.	Compliant since 2009-10
<b>Insurance</b> As required by the school’s charter	A DC charter school must be adequately insured.	Compliant since 2009-10
<b>Facility licenses</b> DC code § 47-2851.03(d); DC regulation 14-1401	A DC charter school must possess all required local licenses.	Compliant since 2009-10
<b>High Quality Teachers</b> Elementary and Secondary Education Act (“ESEA”)	DC charter schools receiving Title I funding must employ “Highly Qualified Teachers” as defined by ESEA.	Compliant since 2009-10
<b>Proper composition of board of trustees</b> SRA § 38-1802.05	A DC charter school’s Board of Trustees must have: an odd number of members that does not exceed 15; a majority of members that are DC residents; and at least two members that are parents of a student attending the school.	Compliant since 2009-10
<b>Articles of incorporation and by-laws</b> SRA § 38-1802.02(8)	A DC charter school must have up-to-date articles of incorporation and by-laws.	Compliant since 2009-10
<b>Accreditation Status</b> SRA § 38-1802.02(16)	A DC charter school must maintain accreditation from an SRA-approved accrediting body approved by the SRA.	Compliant since 2009-10

**PCSB Board Actions**

During the 2009-10 school year, PCSB issued a Notice of Concern to Ideal PCS when the school failed to pass the initial stage of PCSB’s compliance review because the school failed to submit several compliance documents in a timely manner, including its discipline policy, documentation of staff and volunteer background checks, the school’s complaint resolution process, an updated assets inventory,

and its school emergency plan.”<sup>25</sup> The school did not respond to this Notice of Concern in a timely manner, and in October 2009 PCSB issued a Notice of Deficiency to the school and performed a more extensive compliance review.<sup>26</sup>

Also in 2009-10, PCSB issued a Notice of Deficiency to Ideal PCS based on the school’s 36.54% third quarter truancy rate. This Notice was lifted in December 2010.<sup>27</sup> In 2011-12, PCSB issued a Notice of Concern to the school because of its 24.46% third quarter truancy rate, which was later lifted.<sup>28</sup>

### **Procurement Contracts**

SRA §38-1802.04(c)(1) requires DC charter schools to utilize a competitive bidding process for any procurement contract valued at \$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 that the school has executed. From FY2009-2013, the school submitted corresponding determination and finding forms for three contracts at or above \$25,000. However the school did not submit determination and findings forms for any contracts in FY2012 and FY2013.

### **Special Education Compliance**

Charter schools are required to comply with all federal and local special education laws, including, among others, the Individuals with Disabilities Education Act<sup>29</sup> (“IDEA”) and the Rehabilitation Act of 1973.<sup>30</sup> As permitted by the SRA,<sup>31</sup> Ideal PCS elected to operate as a “dependent charter” for federal special education purposes, meaning that DC Public Schools works with Ideal PCS as it would a traditional DCPS school to service the school’s special education students.

Because of its dependent charter status, the school’s special education compliance performance is, for the most part, reported by OSSE as part of DCPS’ overall compliance performance, and compliance data specific to Ideal PCS students is limited. The following section summarizes Ideal PCS’ special education compliance from 2010 to the present.

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<sup>25</sup> See Letter to James Terrell, Board chair, Ideal PCS, from Thomas A. Nida, Board Chair, PCSB, dated September 23, 2009, attached to this report as Appendix O .

<sup>26</sup> See Letter to James Terrell, Board Chair, Ideal PCS, from Thomas A. Nida, dated November 2, 2009, attached to this report as Appendix P.

<sup>27</sup> See Letter to Patricia Cooks, Board of Trustees, Ideal PCS, from Brian Jones, Board Chair, PCSB, dated December 28, 2010, attached to this report as Appendix Q.

<sup>28</sup> See Letter to Ms. Patricia Cooks, Board Chair, Ideal PCS, from Brian Jones, Board Chair, PCSB, dated November 24, 2011, attached to this report as Appendix R.

<sup>29</sup> 20 USC §1413(a)(5).

<sup>30</sup> 20 USC §794.

<sup>31</sup> SRA §38-1802.10(c).

### References to Special Education in School Charter

References in a school's Charter to special education must comply with special education laws. Ideal PCS' description in its Charter of its special education programming complies with special education laws.

### Quarterly Findings

OSSE submits quarterly reports to the U.S. Department of Education's Office of Special Education Programs detailing DC LEAs' compliance in three areas: (1) initial and reevaluation timeliness; (2) early childhood transition timeliness; and (3) secondary transition requirements.

In OSSE's FFY2013 quarterly report (detailing compliance from April 1-June 30, 2013), Ideal PCS was found to be noncompliant for timely completion of initial evaluations and reevaluations.<sup>32</sup> Per OSSE, these points of noncompliance remain uncured, and the school is required to correct these findings by June 30, 2014.

### On-Site Monitoring Report

OSSE periodically conducts an on-site assessment of an LEA's special education compliance with student-level and LEA-level indicators, and publishes its findings in an On-Site Monitoring Report. If a school is found to be less than 100% compliant with a student- or LEA-level indicator, it must implement corrections and report these corrections to OSSE within 365 days.

In 2012-2013, OSSE published an on-site Compliance Monitoring Report of Ideal PCS regarding its student-level compliance, finding the school to be less than 100% compliant in the following 3 of 25 student-level compliance indicators:

- Consent form signature date prior to student reevaluation;
- Extended school year services determined on individual basis; and
- Implementation of a compensatory education plan that addresses related services or specialized instruction hours.<sup>33</sup>

Per OSSE, at the time of this report's publication these points of noncompliance remain uncured, and the school is required to correct these findings by June 4, 2014.

### Blackman Jones Implementation Review

With compliance requirements pursuant to IDEA and the 2006 Blackman Jones Consent Decree, OSSE manages and oversees the Blackman Jones database that tracks each LEA's timely implementation of Hearing Officer Determinations ("HODs") and Settlement Agreements (SAs). Eight special education complaints have been filed against Ideal PCS since 2010, but according to OSSE's database, the school currently has no open HODs and/or SAs.

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<sup>32</sup> See Ideal PCS Quarterly Findings Reports, attached to this report as Appendix S.

<sup>33</sup> If the school was found to be less than 80% compliant with a student-level indicator that was impossible for the school to cure retroactively, OSSE would identify the point of noncompliance as an LEA-level violation.



### Blackman Jones Accuracy Audit

During the 2011-12 school year, OSSE conducted compliance audits regarding the accuracy of a sample of special education data from OSSE’s special education database system (“SEDS”). This audit was used to diagnose and identify appropriate special education training and technical assistance to best support each LEA.<sup>34</sup> While dependent charters’ data was included in DCPS’ overall compliance performance in this audit report, OSSE produced Ideal PCS’ disaggregated audit data for this renewal analysis. The audit revealed that Ideal PCS did not have any issues of noncompliance in the following areas:

- Provision of “related services” as required by IDEA;
- Rate of students educated in separate settings;
- Rate of evaluations completed in a timely manner;
- Number of overdue student records; and
- Number of overdue HODs.

### DCPS assessment of timely special education evaluations and reevaluations

The following table details the timely completion rate of Ideal PCS in (a) conducting eligibility determinations; and (2) creating and implementing Individualized Education Plans (“IEPs”).

<b>Timely Completion Rates</b>		
	<b>Eligibility Determinations</b>	<b>IEPs</b>
2010-11	57%	94%
2011-12	71%	100%
2012-13	69%	92%

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<sup>34</sup> See OSSE’s Blackman Jones briefing memorandum, attached to this report as Appendix T.

## **SECTION THREE: FISCAL MANAGEMENT AND ECONOMIC VIABILITY**

Separate and apart from the standard for charter renewal, 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.

PCSB has reviewed Ideal PCS' financial performance regarding these areas, and has determined that since 2009-10, the school has not engaged in type of fiscal mismanagement as described above.

### **Adherence to Accounting Principles**

The school has consistently adhered to generally accepted accounting principles, as established by the Financial Accounting Standards Board. The school's financial audits were late for fiscal years 2010 to 2012, but its FY2013 audit submission was timely.

### **Fiscal Management**

Per its financial audit reports, Ideal Academy PCS has not engaged in fiscal mismanagement. The school's audit reports reflect sound accounting and internal controls, and no instances of noncompliance that are required to be reported per the U.S. Government Accountability Office's Auditing Standards.

### **Economic Viability**

Ideal Academy PCS has several financial indicators that raise significant concerns about its economic viability, including extremely low cash on hand and very high debt.<sup>35</sup> In FY2012, its independent auditor issued a Going Concern notice to the school due to its failure to meet covenants on its debt, leading PCSB to begin preparing for charter revocation. Subsequently the school restructured an outstanding loan to comply with various debt covenants and produced two operating surpluses in the past two fiscal years. Nevertheless its cash liquidity remains weak and its debt burden remains high. While the current situation is not sufficiently grave to deem the school "not economically viable", it remains a significant source of concern.

### **Financial Performance**

PCSB assesses a school's financial performance with two key indicators. The first indicator is a school's "operating result" – how much its total annual revenues exceed its total annual expenditures. In general, PCSB recommends that a school's annual operating results equal at least zero. Ideal Academy PCS produced three operating surpluses during the past five financial periods. The most recent surpluses were due primarily to its cost reductions, including the closure of its high school.

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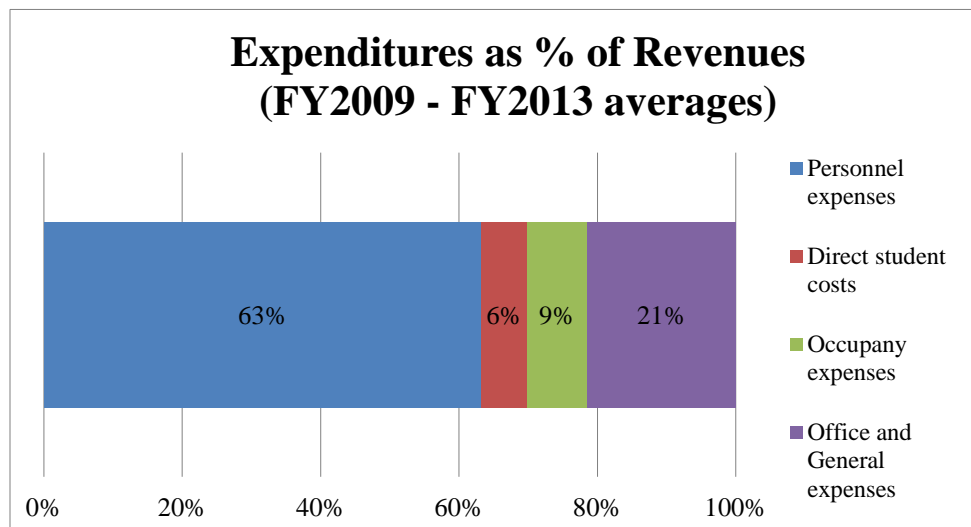
<sup>35</sup> See Ideal Academy PCS activities and financial analysis sheet, attached to this report as Appendix U.

Another indicator of a school’s financial performance is its earnings before depreciation (“EBAD”),<sup>36</sup> a financial performance measure that eliminates the effects of financing and accounting decisions. In FY2013, its operating result was \$279,843. Also, Ideal Academy PCS had a positive EBAD in four of the past five fiscal years. Both indicators are detailed in the below chart.

Fiscal Period	2009	2010	2011	2012	2013
Operating Result	\$99,275	\$(210,794)	\$(105,211)	\$115,833	\$279,843
EBAD	\$135,136	\$(176,196)	\$353,312	\$575,899	\$734,979

Expenditures

Ideal Academy PCS’s spending decisions, illustrated in the graph below, are aligned with PCSB’s financial metrics for general education public charter schools.<sup>37</sup>



Sustainability

A school’s net assets<sup>38</sup> and primary reserve ratio demonstrates its sustainability.<sup>39</sup> PCSB recommends that schools accrue net asset reserves equal to three to six months of operational expenditures. In FY2013, the school’s net asset reserves of \$1.3 million equaled approximately 3.2 months of operational expenditures (the school’s monthly expenditures are approximately \$402,000).

<sup>36</sup> EBAD equals change in net assets plus amortization and depreciation.

<sup>37</sup> Expenditures as a percentage of revenues total more than 100% because revenues exceeded expenditures, on average, for the last five fiscal years.

<sup>38</sup> Net Assets equals total assets minus total liabilities.

<sup>39</sup> Primary Reserve Ratio equals total net assets divided by total annual expenses.

The school’s FY2013 primary reserve ratio was 0.27, meaning that its net asset reserves equals 27% of its annual expenditures, an improvement from FY2012. The table below details the school’s net assets and primary reserve ratios over the past five years.

Fiscal Period	2009	2010	2011	2012	2013
Net Assets	\$1,208,640	\$997,846	\$892,635	\$1,008,468	\$1,288,311
Months of Operational Expenditures	3	2.5	2.2	2.5	3.2
Primary Reserve Ratio	0.18	0.16	0.13	0.21	0.27

Liquidity

Two indicators of a school’s short-term economic viability are its current ratio<sup>40</sup> and its days of cash on hand.<sup>41</sup> A current ratio greater than one points to a school’s ability to satisfy its immediate financial obligations. From FY2009 to FY2013, Ideal Academy PCS’s current ratio has been less than 0.5, which indicates the school’s difficulty to satisfy its immediate financial obligations. This indicates that the school is not currently able to meet its short-term financial obligations with current assets. Its current ratio has improved since 2011, climbing to 0.37 in 2013.

Typically, 90 days or more of cash on hands indicate a school can satisfy immediate obligations with cash, while less than 30 days of cash on hands draws liquidity concerns. Ideal Academy PCS’s days of cash on-hand has been exceptionally weak over the past five fiscal years, which highlights the school’s inability to meet immediate obligations with cash. Ideal Academy PCS’s liquidity ratio and days of cash on-hand are detailed in the table below.

Fiscal Period	2009	2010	2011	2012	2013
Current Ratio	0.36	0.24	0.14	0.20	0.37
Days of Cash-on-Hand	9	1	1	1	6

Cash flow from operations and cumulative cash flow indicate whether a school can meet its operating needs. PCSB recommends that a school have positive cash flow from operations. Ideal Academy PCS has maintained positive cash flow from operations in all of the five past financial periods, as detailed in the below table.

Fiscal Period	2009	2010	2011	2012	2013
Cash Flow from Operations	\$181,176	\$234,092	\$522,796	\$279,397	\$401,705

<sup>40</sup> Current assets divided by current liabilities. Current refers to the 12 months or normal operating cycles that a school can use up certain assets; convert these assets into cash; or use these assets to settle certain obligations.

<sup>41</sup> “Cash on hand” equals unrestricted cash and cash equivalents divided by total expenditures divided by 360 days. If cash and cash equivalents were not specified as unrestricted, the total cash amount was used.

Debt Burden

A school’s debt ratio<sup>42</sup> indicates the extent to which a school relies on borrowed funds to finance its operations. Ideal Academy PCS’s debt ratio remained high over the past five fiscal years. The school was loaned \$10.6 million by the District of Columbia to purchase a building in January 2008 and received another \$2 million to complete the building purchase. The school is subject to compliance with certain debt covenants including a minimum debt service coverage ratio (“DSCR”) of 1.2 to 1.0. At the end of FY2011 (June 30), the school failed to meet the DSCR. Subsequently, the \$2 million loan was modified and terms renegotiated. In effort to meet debt covenants and debt payments, the school made several cost reductions. In FY2012 and FY2013, the school complied with DSCR covenant.

Fiscal Period	2009	2010	2011	2012	2013
Debt Ratio	0.92	0.93	0.94	0.93	0.90

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<sup>42</sup> Debt ratio equals total liabilities divided by total assets.