



2018-19 Fifteen-Year Charter Renewal Report DC Bilingual Public Charter School

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DC Public Charter School Board
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STAFF RECOMMENDATION AND BOARD VOTE¹

The District of Columbia Public Charter School Board (DC PCSB) reviewed the renewal application² submitted by DC Bilingual Public Charter School (DC Bilingual PCS), as required by the School Reform Act (SRA) and concluded that the school has met its goals and student academic achievement expectations. Therefore, DC PCSB staff recommended that the DC PCSB Board approve DC Bilingual PCS's renewal application and renew the school for a second fifteen-year term.

DC Bilingual PCS is a single campus local educational agency (LEA) that educates students in grades prekindergarten-3 (PK3) through five. The school chose the Performance Management Framework (PMF) to measure its goals and student academic achievement expectations, along with one mission specific goal.³ The PMF uses common measures across schools serving similar grades to measure school quality. The PMF measures student academic progress in English language arts (ELA) and math, student academic achievement in ELA and math, attendance, re-enrollment rates, and early childhood classroom observations.

By adopting the PMF as its charter goals, DC Bilingual PCS agreed to earn at least 55% of the possible PMF points in two of the most recent four years, and earn at least 45% in four of the previous five years, except school year (SY) 2014-15 when it was held harmless.⁴ DC Bilingual PCS earned over 55.0% in all four years that it received a PMF score during the review period.

The school's PMF results are as follows:

DC Bilingual PCS – PMF Outcomes				
2013-14	2014-15	2015-16	2016-17	2017-18
Tier 2 62.1%	N/A⁵	Tier 1 75.3%	Tier 1 81.0%	Tier 1 74.7%

Additionally, the school agreed to meet one mission-specific goal regarding meeting or exceeding the state average for proficiency on the state science assessment. The school's mission specific goal could not be assessed because it was based on the DC State Science

¹ A copy of all the appendices referenced in this report may be found here: <https://dcpcsb.egnyte.com/dl/gaGU1xVmet>.

² See DC Bilingual PCS Charter renewal application at Appendix A.

³ DC Bilingual PCS Approved Board Proposal to Adopt the PMF may be found in Appendix B.

⁴ Due to a change in the state assessment in SY 2014-15, no school received a tier or score on the PMF.

⁵ Due to the change in the state assessment, scores and tiers were not displayed in 2014–15.

Assessment, an exam that was not administered in the District during this review period. Therefore, for the purpose of this review the school's goals will be assessed based solely on its PMF goal attainment.

Student academic progress on the PMF is measured by student growth on the statewide Partnership for Assessment of Readiness for College and Careers (PARCC) assessment, which is given to students in grades 3 and higher. In every year of the review period, DC Bilingual PCS's median growth percentile (MGP) in ELA has been above 50, which means students at the school are growing at above-average rates in ELA year-to-year. DC Bilingual PCS's student growth in math has improved every year, with the school earning the highest growth score for math in the charter sector in SY 2017-18.

Student academic proficiency on the PMF is also measured by the PARCC assessment, and has been similarly strong at DC Bilingual PCS until the most recent year of the review period. The school's student proficiency in math was generally higher than the state average until SY 2016-17, when DC Bilingual PCS fell below the state average for all students and for Hispanic/Latino students, who make up the majority of the school's test-taking population. DC Bilingual PCS remained below the state average in math for all students and for Hispanic/Latino students in SY 2017-18. The school's ELA proficiency also saw a drop in the last year, with the percentage of students scoring level 4+ (College and Career Ready) or higher and level 3+ (Approaching College and Career Ready) or higher on the PARCC assessment falling behind the state average for the first time in the review period, for all students and for Hispanic/Latino students.

Overall, the school has demonstrated strong academic performance over the course of the review period. However, addressing these recent declines in PARCC proficiency and growth will be important to DC Bilingual PCS's continued success.

It is notable that the school's academic performance remained strong after a large and sudden acquisition of students from a closed charter school. In February 2015, DC Bilingual PCS took control of the facility formerly operated by Dorothy I. Height Community Academy Public Charter School (CAPCS), in addition to 90 students from the former school. DC Bilingual PCS integrated former CAPCS students, who had no prior experience with language immersion, with other students who were enrolled at DC Bilingual PCS already. The school implemented an intensive dual-language education model to help former CAPCS students develop language proficiency and catch up to their peers. Despite the known challenges that schools often face when enrolling new students from a former failing school, DC Bilingual PCS's PARCC proficiency rates continued to improve after incorporating the additional students from CAPCS, an indication of the school's successful ability to grow. It also served to create a key innovation for bilingual schools in the District, with a program in place that enrolls students at every grade level and provides supports for

students new to language immersion to ensure they are able to catch up to their peers who have attended the language immersion school since PK3.

Additionally, the school highlighted several achievements in its charter renewal report. These include:

- DC Bilingual PCS has received awards and recognition from education non-profits, including being ranked in the top quartile for DC charter schools by the NEW Teacher Project for instructional culture.
- The school was named a *Bold Improvement School* by EmpowerK12 and Education Reform Now, for its policies and practices regarding helping the District's at-risk students achieve outstanding academic growth.
- DC Bilingual PCS has also demonstrated a commitment to healthy eating, and in SY 2017-18, 350 families and stakeholders of DC Bilingual PCS visited its monthly family food market in partnership with the Capital Area Food Bank for free, nutritious food.⁶

Separate and apart from the determination of the school's goal and academic achievement expectation attainment, DC PCSB staff has determined that the school has not committed a material violation of the law or of its charter, has adhered to generally accepted accounting principles (GAAP), has not engaged in a pattern of fiscal mismanagement, and is economically viable.

Based on these findings, DC PCSB staff recommended that the Board vote to approve the school's charter renewal application. On January 28, 2019, the Board voted 7-0 to renew the charter of DC Bilingual PCS for another fifteen-year term.

⁶ Appendix A.

CHARTER RENEWAL STANDARD

The standard for charter renewal is established in the SRA: DC PCSB shall approve a school's renewal application, except that DC PCSB shall not approve the application if it determines one or both of the following:

- (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.⁷

Separate and apart from the renewal process, DC PCSB is required by the SRA to revoke a school's charter if DC PCSB determines that the school (1) has engaged in a pattern of non-adherence to GAAP; (2) has engaged in a pattern of fiscal mismanagement; and/or (3) is no longer economically viable.⁸

Given the SRA's standard for charter renewal, as well as DC PCSB's obligation to revoke a school's charter if it has engaged in the above fiscal misconduct, 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 DC PCSB staff's renewal recommendation. Section Three is an analysis of the school's fiscal performance.

⁷ D.C. Code §38-1802.12(c).

⁸ D.C. Code §38-1802.13(b).

BACKGROUND INFORMATION ABOUT SCHOOL

School Overview

DC Bilingual PCS began operation in 2004 under authorization from DC PCSB to educate students in grades PK3-5 at a single campus in Ward 5.⁹ Its mission is:

[T]o foster the development of a strong social conscience among tomorrow's global leaders by nurturing excellence in our students' intellectual, moral, social, emotional and physical development in an engaging, inquiry-driven, Spanish – English language immersion environment.

The school implements a dual-language immersion program where students receive half their instruction in English and the other half in Spanish, bringing together students who are both native English and Spanish speakers. The school enrolls a high percentage of English Learners (ELs), and in SY 2017-18 had the second largest EL population in the charter sector.

In February 2015, following the charter revocation of the Dorothy I. Height Community Academy Public Charter School (CAPCS), the Deputy Mayor for Education offered DC Bilingual PCS the lease for the city-owned facility out of which CAPCS operated one of its campuses. DC Bilingual requested and received an enrollment ceiling increase to allow up to 90 students from the former CAPCS campus to enroll at DC Bilingual PCS. In this process, the school also developed an accelerated program for mono-lingual students from CAPCS to access the bilingual curriculum and fully integrate into the school within just a few months to a few years. This new approach has allowed the school to admit students in all grades, which is a contrast from most bilingual schools that limit enrollment to early grades for pedagogical reasons.

DC Bilingual PCS emphasizes personal and environmental wellness, with an 8,000 square foot garden which serves as an outdoor classroom and for hands-on learning, and a farm-to-cafeteria program to help students build nutritional habits and eat healthy food.¹⁰

At its inception, DC Bilingual PCS had a management contract with CentroNia, a local non-profit organization, through which CentroNia provided the school's administrative functions and the two organizations shared staff. In 2015 this relationship ended. On June 15, 2015, the DC PCSB Board approved a charter amendment to allow DC Bilingual PCS to separate from CentroNia and adopt an in-house management model.¹¹

⁹ DC Bilingual PCS Charter Agreement, July 8, 2004, attached to this report as Appendix C.

¹⁰ Renewal application, Appendix A.

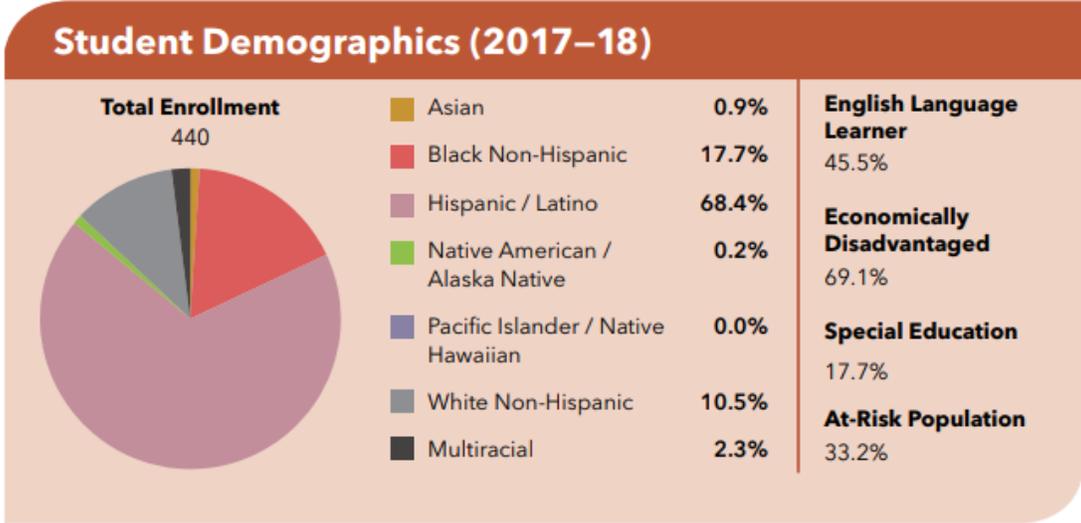
¹¹ Public Hearing and Board Vote on DC Bilingual PCS: Charter Amendment, Revised Governance Structure, June 2015, attached to this report as Appendix D.

DC Bilingual PCS also entered into a partnership with four other language immersion schools to form District of Columbia International School (DCI). DCI is a middle-high school offering an International Baccalaureate (IB) program of study, which should allow every student to earn an IB Diploma, a bilingual IB Diploma, or an IB Career Certification.

Enrollment and Demographic Trends

The tables below show DC Bilingual PCS’s enrollment and demographics. Over the last five years the school has enrolled students in grades Prekindergarten (PK3) through 5 and generally enrolled students at a level higher than its enrollment projections, except for SY 2014-15 when the school was slightly below its projection by fifteen students. In SY 2017-18, the school served a population that was 46% EL, 68% Hispanic/Latino, and 69% economically disadvantaged. While some bilingual schools limit enrollment of new students to early years (PK3-2), DC Bilingual enrolls students in every year due to an instructional program that allows those students to catch up on the bilingual instruction that their peers have received.

DC Bilingual PCS - Enrollment					
School Year	2014-15	2015-16	2016-17	2017-18	2018-19
Audited Enrollment	364	403	410	440	444
Enrollment Projections	379	361	404	423	443



The table on the following page shows the LEA’s grade-by-grade enrollment during the review period. The numbers in red indicate attrition, in which fewer students were enrolled than the previous grade level in the previous school year. In each year of the review period, DC Bilingual PCS’s attrition occurred between grades 3-4 and 4-5. However, the school’s

attrition was minimal with a loss of no more than 5 students between those grade levels each school year.

DC Bilingual PCS – Enrollment by Grade					
School Year	2014-15	2015-16	2016-17	2017-18	2018-19
PK3	44	36	37	36	37
PK4	48	61	41	59	40
K	47	69	72	49	72
1	45	72	73	73	51
2	44	53	70	72	73
3	35	40	45	64	67
4	42	32	45	45	62
5	59	40	27	42	42

Prior Charter Reviews and Renewal

Five-Year Charter Review

In SY 2009-10, DC PCSB conducted a five-year charter review of the school.¹² In this review, DC PCSB found DC Bilingual PCS met two of its three academic standards. The school also met two of its three prekindergarten (PK) academic targets. DC PCSB noted that in SY 2009-10, “the school made substantial programmatic improvement and subsequent academic performance gains.” Based on this review, the DC PCSB Board voted to grant the school full charter continuance in January 2010.

Ten-Year Charter Review

In SY 2013-14, DC PCSB conducted a ten-year charter review of DC Bilingual PCS. DC PCSB found that the school fully met its elementary program goals and academic achievement expectations but had mixed results regarding its performance in early childhood. The report also noted that DC Bilingual PCS had repeatedly violated the SRA’s requirements related to procurement contracts and that the school had been identified as a fiscally low performing school for the three years prior to its ten-year review. Based on these findings, the DC PCSB Board voted on June 16, 2014 to conditionally continue the school’s charter with the following conditions: the school must fully comply with the SRA’s requirements regarding procurement contracts (to be assessed in its fifteen-year renewal); the school must develop with DC PCSB staff a milestone-based plan to strengthen its financials and segregate them with CentroNia; and finally that DC PCSB have access to review the financial books and records of CentroNia to the extent needed to fully understand the school’s financial position.¹³ Progress against these conditions is further assessed in Section Two of this report. As noted above, subsequent to this review the school and CentroNia agreed to end their relationship.

¹² DC Bilingual PCS 5-Year Review Report, attached to this report as Appendix E.

¹³ DC Bilingual PCS 10-Year Charter Review Report, attached to this report as Appendix F.

Communications with the School

On May 10, 2016, DC PCSB informed DC Bilingual PCS in a letter that the findings of its fiscal year (FY) 2015 fiscal audit raised concerns about accounting inconsistencies and incorrect reporting of employee accrued salaries. DC PCSB also noted that the school had notified DC PCSB staff about the inconsistencies in advance of the audit. DC Bilingual PCS responded to DC PCSB by providing a letter that stated its former management company, CentroNia, had not been using adequate fiscal management, and that the school believed separating from the management organization would improve its financial reporting going forward. As noted, DC Bilingual PCS separated from CentroNia in June 2015 and the school's financial performance has improved since then. Please see Section Three of this report for further discussion of the school's financial performance.

On April 12, 2018, DC PCSB staff met with school leaders at DC Bilingual PCS to discuss the school's upcoming renewal. Staff provided the school with a chart similar to the one in the "PMF Outcomes" section, showing its PMF performance for the past few years and informing the school that it would meet its charter goals as it had already scored at least 55% in two of the most recent three years, and at least 45% in four of the most recent five years. Staff also informed the school that its mission specific science goal will be considered "N/A" and the school will be held harmless for this goal, because state science assessment results were unavailable during the review period.

SECTION ONE: GOALS AND ACADEMIC ACHIEVEMENT EXPECTATIONS

The SRA requires DC PCSB to review whether a school has met its goals and academic achievement expectations at least once every five years. Goals and academic achievement expectations are considered part of the renewal analysis only if they were included in a school’s charter or charter amendment approved by the DC PCSB Board.

In March 2014, DC Bilingual PCS first adopted the PMF as its goals and academic achievement expectations, along with one mission specific goal.¹⁴ In 2016 the school amended its charter to update its goals to reflect the most recent PMF as Charter Goals policy.¹⁵ By adopting the PMF as goals, the school agreed to the renewal standard listed below. The school met the standard for renewal.

In addition to the PMF, DC Bilingual PCS adopted a mission-specific goal that used the DC State Science Assessment as its metric, to be assessed starting in SY 2015-16 and every year after. The school’s mission-specific goal is not applicable for this review, because the District did not administer a science assessment during the review period.

The chart below summarizes DC PCSB’s determinations of whether the school’s academic program met its respective goals and academic achievement expectations. These determinations are further detailed in the body of this report.

Goals and Academic Expectations	Met?	
The School Corporation will be deemed to have met its goals and academic achievement expectations if, at its fifteen-year charter renewal in school year 2018-19:		
1	The school has earned at least 55% of the possible PMF points in two of the most recent three years (two of the most recent four years from the 2014-15 review cycle through the 2018-19 review cycle) and earned at least 45% in four of the previous five years (except 2014-15, when it is held harmless).	Met
2	For SY 2015-16 and beyond, the percent of students scoring proficient or advanced will meet or exceed the state average on the state science assessment.	N/A

Assessment: **DC Bilingual PCS has met its goals and academic achievement expectations.** The school has exceeded 55% during at least two of the most recent four years, and it has not fallen below 45% in any year. Additionally, the school met all of its performance measures on the Early Childhood (EC) PMF in SY 2013-14.

¹⁴ DC Bilingual PCS’s Approved Board Proposal to Adopt the PMF may be found in Appendix G.

¹⁵ This amendment may be found in Appendix H.

DC Bilingual PCS has been a Tier 1 school in three of the four years included in the review period. From SY 2013-14 to SY 2016-17, the school showed significant growth on the overall PMF and peaked with a score of 81.0% in SY 2016-17. The school continued its high performance in SY 2017-18 with a PMF score of 74.7%.

As previously mentioned, the District did not administer a state science assessment during the review period, so the school’s mission-specific goal is not applicable.

DC Bilingual PCS – PMF Outcomes				
2013-14 ¹⁶	2014-15	2015-16	2016-17	2017-18
Tier 2 62.1%	N/A ¹⁷	Tier 1 75.3%	Tier 1 81.0%	Tier 1 74.7%

Student Academic Achievement and Progress Measures

The school’s PMF score is based on the following:

- Proficiency rates in ELA and math on the statewide PARCC assessment taken by 3rd through 8th graders.
- Academic growth from one year to the next on the PARCC, as measured by MGP,¹⁸ which assesses the relative year-to-year progress made by individual students at a school. The MGP charts included in this review are a two-year weighted average as displayed on the PMF.
- School environment measures, including attendance rates, re-enrollment rates, and scores from the Classroom Assessment Scoring System (CLASS), which assesses classroom instruction in PK.

The proficiency tables below display PARCC proficiency and growth results overall and across subgroups, as well as charts of the school’s environment measures. Many charts are color coded. Please use the following key:

¹⁶ The school served PK-6 students in SY 2013-14 only. Every year thereafter, the school has served PK-5.

¹⁷ Due to the change in the state assessment, scores and tiers were not displayed in SY 2014–15.

¹⁸ An MGP of 50 indicates that a school’s students have average year-to-year growth in a subject, as compared to other DC students in the same grades and with the same initial state assessment performance. An MGP above 50 indicates that the school’s students have above-average year-to-year growth, while an MGP below 50 indicates below-average growth.

KEY for Campus Rate Data Charts	
3+	<ul style="list-style-type: none"> A PARCC score of 3 = Approaching College and Career Ready 3+ denotes the percentage of students who obtained a 3, 4, or 5 on the PARCC
4+	<ul style="list-style-type: none"> A PARCC score of 4 = College and Career Ready 4+ denotes the percentage of students who obtained a 4 or 5 on the PARCC 4+ is considered to be proficient
n-size	<ul style="list-style-type: none"> Number of students who took the state assessment at this school
Green	<ul style="list-style-type: none"> Met the EC PMF floor in 2013-14 Greater than or equal to the state average or charter sector average of the same grade band
Red	<ul style="list-style-type: none"> Did not meet the EC PMF floor in 2013-14 Less than the state average or charter sector average of the same grade band
No Shading	<ul style="list-style-type: none"> Data from 2014-15, when the state transitioned to PARCC and the school performed below the state average. (Note – as stated above, if the school did better than the state average, this is colored green.) PK – 2 “display only” data that does not factor into the PMF score or goal attainment.

English Language Arts (ELA) With some exceptions, DC Bilingual PCS’s ELA performance has been strong every year of the review period, often outpacing the charter sector average by fifteen percentage points among students scoring level 3+ (approaching college and career ready). The school’s highest PMF performance was in SY 2016-17, in part due to its ELA growth, with an MGP of 71.3. The school’s early childhood programs are strong as indicated by its assessment outcomes for grades PK3-PK4. The school performed at its lowest in SY 2017-18 when its ELA performance declined across all grade levels with MGP, and its students slightly underperformed the sector average for test-takers scoring level 4+ (college and career ready). As long as the trends of SY 2017-18 do not continue, DC Bilingual PCS is well situated to continue strong ELA performance and strong PMF performance in the future.

ELA Proficiency

DC Bilingual PCS’s overall proficiency rates have been above the state average in both approaching (level 3+) and meeting or exceeding (level 4+) college and career readiness for nearly every year of the review period. In SY 2016-17, the school performed 17 percentage points above the state average among test-takers scoring level 3+. Nearly every subgroup performed above the state average in SY 2016-17. However, for the past two school years, DC Bilingual PCS’s English learners have lagged in meeting or exceeding college and career readiness (level 4+) compared to their peers. English learners were 47.8% of the school’s testing population in SY 2016-17, and only 5 English learners scored college and career ready (level 4+) in ELA that year.

DC Bilingual PCS - Elementary School ELA Proficiency Grades 3-5

	2013-2014 DC CAS			2014-2015 PARCC		2015-2016 PARCC		2016-2017 PARCC		2017-2018 PARCC	
	School	State		School	State	School	State	School	State	School	State
All	60.1	48.4	% 3 +	65.2	48.5	68.2	51.8	72.1	55.1	61.6	57.1
			% 4 +	32.6	25.3	38.3	27.7	38.7	31.4	31.5	33.4
	163		denominator	132		107		111		146	
Black Non-Hispanic	57.9	41.0	% 3 +	75.0	40.7	83.3	44.2	84.6	47.3	63.6	49.1
			% 4 +	37.5	16.6	33.3	19.7	46.2	22.3	31.8	24.4
	19		denominator	16		12		13		22	
Hispanic / Latino	57.1	47.4	% 3 +	62.4	47.4	64.4	51.4	70.5	56.2	61.0	58.5
			% 4 +	28.4	20.4	35.6	24.2	36.8	29.0	29.7	31.9
	133		denominator	109		73		95		118	
White	N/A	92.8	% 3 +	N/A	90.8	70.6	90.8	N/A	93.5	N/A	93.3
			% 4 +		76.5	47.1	73.5		81.2		79.6
	n < 10		denominator	n < 10		17		n < 10		n < 10	
English Learner	50.0	38.5	% 3 +	51.2	37.7	55.4	42.4	49.1	47.1	49.4	48.5
			% 4 +	11.9	13.1	18.5	16.8	9.4	19.7	12.3	22.8
	114		denominator	84		65		53		81	
Students with Disabilities	16.1	20.4	% 3 +	32.0	14.1	47.8	19.4	52.4	20.8	37.0	18.4
			% 4 +	12.0	4.4	4.3	6.7	9.5	7.5	7.4	6.3
	31		denominator	25		23		21		27	
Male	48.1	43.3	% 3 +	54.7	43.6	57.1	46.5	73.3	49.4	62.3	50.5
			% 4 +	26.6	21.5	21.4	23.8	31.7	26.5	27.3	27.8
	81		denominator	64		56		60		77	
Female	72.0	53.6	% 3 +	75.0	53.5	80.4	57.2	70.6	60.9	60.9	63.8
			% 4 +	38.2	29.0	56.9	31.6	47.1	36.3	36.2	39.1
	82		denominator	68		51		51		69	
At-Risk			% 3 +			58.1	36.1	70.5	40.2	51.7	42.4
			% 4 +			27.9	13.2	31.8	16.2	17.2	18.4
			denominator			43		44		58	

ELA Growth

DC Bilingual PCS's MGP has been above 50 every year of the review period indicating students are growing at above-average rates year-to-year.¹⁹ The school's highest MGP was in SY 2016-17, which contributed to its high overall PMF score that year. In SY 2017-18, the school notably declined in growth performance among several subgroups, as well as overall. English learners and at-risk test-takers grew at particularly low rates in SY 2017-18 as

¹⁹ While an MGP of 50 or above indicates that students are growing at a rate comparable to their peers, MGP averages for the charter sector vary by year and by subgroup. A breakdown of these averages is available at: <https://data.dcpccb.org/Student-Performance-/Median-Growth-Percentile/xp6g-vrvb>.

compared to past years. At-Risk students' MGP declined 28.1 percentage points from SY 2016-17 to SY 2017-18.

DC Bilingual PCS ELA MGP Grade 4-5					
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
All	59.4	56.4	68.8	71.3	52.0
Black Non-Hispanic	60.1	51.1	62.3	60.3	45.9
Hispanic / Latino	57.1	55.9	65.9	70.7	52.8
English Learner	51.7	51.5	62.7	63.6	44.0
Students with Disabilities	49.6	51.7	61.2	53.0	48.1
Male	58.9	55.4	68.3	72.1	55.7
Female	57.0	58.3	70.2	70.8	48.9
At-Risk			83.5	72.0	43.9

ELA PK and K-2 Student Outcomes

DC PCSB allows schools to choose the assessments for ELA that best fit the academic program and philosophy of the early childhood environment at the school. After SY 2013-14, scores on these assessments were not formally included in this school's PMF score, but they are included as indicators of student academic progress and achievement in these grade bands and are included in the analysis when determining if the consistent improvement provision applies. The results displayed below reflect the percent of students who met or exceeded the test publisher's expectations (or "display range") for achievement at the end of the year.

PK Reading Student Outcomes			K-2 Reading Student Outcomes		
2013-14	Teaching Strategies GOLD: Percent of students who met or exceeded the publisher's expectations for growth by the end of the year Display Range: 75 to 100	98.8	2013-14	Fountas and Pinnell (F&P): Percent of students meeting or exceeding the publisher's expectations for achievement at the end of the year Display Range: 60 to 100	80.2
2014-15		100.0	2014-15		78.8
2015-16		100.0	2015-16		74.3
2016-17		97.4	2016-17		75.9
2017-18		100.0	2017-18		73.7

DC Bilingual PCS has performed well on the Teaching Strategies GOLD assessment for its PK students, having scored above 97% every year of the review period. The school's K-2

students scored within the display range every year on the Fountas and Pinnell (F&P) assessment. The school's F&P results have declined since SY 2013-14, however.

Math

DC Bilingual PCS's overall math proficiency rates have lagged behind the state average in the most recent two school years, and its K-2 students have posted inconsistent results, but the school continues to see well above-average growth, with MGPs as high as 75.7. While math appears to be the school's weaker subject, its strong growth trajectory points toward higher proficiency rates in the future.

Math Proficiency

DC Bilingual PCS's overall math proficiency rates have declined since SY 2014-15, the first year of PARCC testing. The school outpaced the state averages in SY 2015-16, but it declined by nearly the same rate in SY 2016-17, putting it under the state average. Test-takers scoring college and career ready and above (level 4+) have also declined in recent years, with nearly every subgroup underperforming the state average for that subgroup in SY 2017-18. Similar to ELA, English Learners have fallen behind their peers in recent years with only 5 English Learners (of 53 test-takers) scoring proficient (level 4+) in SY 2016-17.

**DC Bilingual PCS - Elementary School
Math Proficiency Grades 3-5**

	2013-2014 DC CAS			2014-2015 PARCC		2015-2016 PARCC		2016-2017 PARCC		2017-2018 PARCC	
	School	State		School	State	School	State	School	State	School	State
All	63.2	52.6	% 3 +	64.4	54.5	67.3	57.2	58.6	59.3	57.5	61.2
			% 4 +	27.3	27.9	39.3	33.2	29.7	34.1	28.8	36.1
	163		denominator	132		107		111		146	
Black Non-Hispanic	84.2	44.8	% 3 +	68.8	46.8	91.7	49.8	69.2	51.8	50.0	53.6
			% 4 +	37.5	20.0	41.7	25.1	38.5	25.0	36.4	27.1
	19		denominator	16		12		13		22	
Hispanic / Latino	57.9	56.6	% 3 +	61.5	56.1	61.6	59.4	57.9	61.4	59.3	63.7
			% 4 +	22.0	24.4	38.4	30.5	28.4	34.0	27.1	34.9
	133		denominator	109		73		95		118	
White	N/A	92.9	% 3 +	N/A	91.1	70.6	92.2	N/A	94.5	N/A	94.0
			% 4 +		72.7	35.3	77.7		80.5		81.9
	n < 10		denominator	n < 10		17		n < 10		n < 10	
English Learner	52.6	51.5	% 3 +	52.4	50.9	56.9	53.2	34.0	55.9	48.1	57.6
			% 4 +	16.7	19.8	26.2	26.3	9.4	28.2	17.3	28.1
	114		denominator	84		65		53		81	
Students with Disabilities	29.0	25.6	% 3 +	32.0	19.6	52.2	26.4	28.6	26.8	25.9	25.1
			% 4 +	12.0	5.8	17.4	10.9	4.8	10.5	7.4	9.7
	31		denominator	25		23		21		27	
Male	59.3	50.7	% 3 +	59.4	52.8	57.1	55.1	61.7	57.3	59.7	58.6
			% 4 +	29.7	27.6	23.2	32.0	30.0	33.4	27.3	34.6
	81		denominator	64		56		60		77	
Female	67.1	54.6	% 3 +	69.1	56.2	78.4	59.4	54.9	61.4	55.1	63.9
			% 4 +	25.0	28.2	56.9	34.3	29.4	34.9	30.4	37.7
	82		denominator	68		51		51		69	
At-Risk			% 3 +		39.9	65.1	42.8	50.0	45.1	50.0	47.1
			% 4 +			41.9	19.2	25.0	20.0	19.0	21.3
			denominator			43		44		58	

Math Growth

Despite declining proficiency rates, DC Bilingual PCS's math MGP has been above 50 every year of the review period and consistently increasing every year. Every subgroup earned an MGP above 50 from SY 2015-16 to SY 2017-18. The school's SY 2017-18 overall MGP of 75.7 was the highest in the charter sector that year and boosted its overall PMF performance.

Hispanic / Latino students, English Learners, and female students have all posted MGPs above 70 for the past two school years in math.

DC Bilingual PCS Math MGP Grade 4-5					
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
All	50.4	52.4	64.0	72.0	75.7
Black Non-Hispanic	63.3	61.8	64.3	66.4	72.1
Hispanic / Latino	47.6	47.5	58.6	73.9	76.9
English Learner	39.0	43.3	57.5	72.2	75.1
Students with Disabilities	45.4	44.8	56.2	70.3	65.7
Male	54.3	52.3	57.4	67.7	76.7
Female	43.8	50.7	66.5	73.0	72.7
At-Risk			71.5	67.8	62.2

Math PK and K-2 Student Outcomes

DC PCSB allows schools to choose the assessments for math that best fit the academic program and philosophy of the early childhood environment at the school. The scores on these assessments for PK3-2 are not formally included in this school's PMF score, but are included in this report as indicators of student academic progress and achievement in these grade bands and are included in the analysis when determining if the consistent improvement provision applies. The results displayed below reflect the percent of students who met or exceeded the test publisher's expectations (or "display range") for achievement at the end of the year.

DC Bilingual PCS continues to perform well on the GOLD assessment with its PK students having scored well within the display range every year, typically above 96%. K-2 students have scored within the display range on their assessments for most years, but results have been inconsistent. In SY 2015-16, the school's first year of using Assessment Math Concepts to measure growth, only 30.9% of students met the publisher's expectations by the end of the year, which was below the floor of the display range. In the most recent year only 63.2% met expectations, which is just above the floor for the measure.

PK Math Student Outcomes			K-2 Math Student Outcomes		
2013-14	Teaching Strategies GOLD: Percent of students who met or exceeded the publisher's expectations for growth by the end of the year	100.0	2013-14	Terra Nova: Percent of students who met or exceeded the publisher's expectations for achievement by the end of the year Display Range: 50 to 90	87.3
2014-15		97.8	2014-15		53.0
2015-16		96.9	2015-16	Assessment Math Concepts (AMC): Percent of students who met or exceeded the publisher's	30.9
2016-17		96.2	2016-17		71.0
2017-18		100.0	2017-18		63.2

					expectations for achievement by the end of the year Display Range: 60 to 100
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School Environment Measures

School environment measures—in-seat attendance, re-enrollment, and the Classroom Assessment Scoring System (CLASS) for pre-kindergarten—are designed to show the school’s climate and parent satisfaction.

In-Seat Attendance

DC PCSB measures In-Seat Attendance (ISA), which is the percentage of students at school without regard to whether an absence is excused or unexcused. DC Bilingual PCS has maintained high in-seat attendance rates every year of the review period. On average, the school outperformed the charter sector average by nearly two percentage points as described in the table below.

DC Bilingual PCS Grades PK3 - 5 In-Seat Attendance										
	2013-14 ²⁰		2014-15		2015-16		2016-17		2017-18	
	School	Charter Sector	School	Charter Sector	School	Charter Sector	School	Charter Sector	School	Charter Sector
All Students	95.0	93.2	94.8	93.0	94.5	92.6	94.1	92.8	94.9	92.5

Re-enrollment

A school’s re-enrollment rate assesses family satisfaction with a school by measuring the rate at which students who are eligible return from one year’s official enrollment audit to the next year’s official enrollment audit.²¹ Students who move out-of-state or have other situations that would prevent them from re-enrolling are excluded from this rate.

DC Bilingual PCS’s re-enrollment rates have outpaced the charter sector every year of the review period, with the notable exception of SY 2014-15 to 2015-16 when the school changed locations from Columbia Heights to just off of North Capital Street near the Fort Totten Metro Station. The school quickly recovered and maintained a re-enrollment rate of 93.7% from SY 2016-17 to 2017-18, indicating families are satisfied with the school.

²⁰ SY 2013-14 includes 6th grade students as this was the last year the school served 6th grade students.

²¹ The enrollment audit occurs in October of each school year.

DC Bilingual PCS Re-enrollment								
	2013-14 to 2014-15		2014-15 to 2015-16		2015-16 to 2016-17		2016-17 to 2017-18	
	School	Charter Sector						
All Students	92.1	83.0	80.7	82.6	89.9	83.3	93.7	84.1
	328		300		355		380	

CLASS²²

The table below shows DC Bilingual PCS's CLASS performance. Overall, the school has performed very well on the Classroom Organization and Emotional Support domains across all school years. While it has struggled in the Instructional Support domain, it increased by an entire percentage point from SY 2016-17 to SY 2017-18 and outpaced the sector average by 0.8 points.

CLASS Performance Targets			
Year	Domain	School	Charter Sector
2013-14	Classroom Organization	5.8	5.2
2014-15		5.9	5.5
2015-16		6.2	5.9
2016-17		6.1	5.8
2017-18		6.2	5.8
2013-14	Emotional Support	5.8	5.7
2014-15		6.1	5.9
2015-16		6.3	6.0
2016-17		6.3	6.1
2017-18		6.4	6.0
2013-14	Instructional Support	2.8	2.5
2014-15		2.4	2.8
2015-16		2.8	3.1
2016-17		2.8	3.0
2017-18		3.8	3.2

²² All DC early childhood programs are assessed by independent reviewers using the CLASS tool, which focuses on classroom interactions that boost student learning. The CLASS tool measures Emotional Support, Classroom Organization, and Instructional Support on a scale from 1-7. The Emotional Support and Classroom Organization indicators have a floor of three and a target of six on the PMF. On a national level, pre-school programs score lower on the Instructional Support indicator. Accordingly, DC PCSB's floor for this indicator is one with a target of four.

Qualitative Site Reviews (QSRs)

DC PCSB conducts QSRs of charter schools to assess classroom environment and quality of instruction. In April and May of 2018, in anticipation of this charter renewal analysis, DC PCSB conducted a QSR of DC Bilingual PCS.²³ The school's bilingual model was pervasive across grade levels and throughout the school. In virtually all components of the Charlotte Danielson *Framework for Teaching*, several observations were rated as distinguished, indicating the initiative students took in their own learning.

In QSRs, each observed classroom is assigned an Unsatisfactory, Basic, Proficient, or Distinguished rating in classroom environment²⁴ and instruction.²⁵ The following table details the percentage of classrooms that were rated proficient or distinguished in each domain.

	Domain 2: Classroom Environment	Domain 3: Instruction
DC Bilingual PCS	92%	83%
Average score for PK-8	78%	70%

Compared to its previous QSR in 2013, when DC Bilingual PCS earned an average of 97% in Classroom Environment and 87% in Instruction, the school only scored slightly lower in 2018. Compared to the charter sector average, DC Bilingual PCS's QSR scores are significantly higher in both domains.

²³ See DC Bilingual PCS's QSR report, attached to this report as Appendix I.

²⁴ To assess classroom environment, DC PCSB observed whether teachers (a) create an environment of respect and rapport; (b) establish a culture for learning; (c) manage classroom procedures; and (d) manage student behavior.

²⁵ To assess instruction, DC PCSB observes how teachers (a) communicate with students; (b) use questioning/prompts and discussion techniques; (c) engage students in learning; and (d) use assessment in instruction.

SECTION TWO: COMPLIANCE WITH CHARTER AND APPLICABLE LAWS

The SRA requires DC PCSB to determine at renewal whether a school has “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.”²⁶ The SRA contains a non-exhaustive list of applicable laws, which DC PCSB monitors in its annual compliance reviews. The below table discusses the school’s compliance for this review period.

Since SY 2013-14, DC Bilingual PCS has been compliant with **ALL** the following applicable laws.²⁷

- Fair Enrollment Process
(D.C. Code § 38-1802.06)
- Notice and Due Process for Suspensions and Expulsions
(D.C. Code § 38-1802.06(g))
- Student Health and Safety
(D.C. Code §§ 38-1802.04(c)(4), 4-1321.02, 38-651)
- Equal Employment
(D.C. Code § 38-1802.04(c)(5))
- Insurance
(As required by the school’s charter)
- Facility Licenses
(D.C. Code § 47-2851.03(d); D.C. Mun. Regs., tit. 14, §§ 14-1401 et seq.)
- Proper Composition of Board of Trustees
(D.C. Code § 38-1802.05(a))
- Accreditation Status
(D.C. Code § 38-1802.02(16))

Procurement Contracts

D.C. Code § 38-1802.04(c)(1) requires DC charter schools to use 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 DC PCSB all bids received, the contractor selected, and the rationale for which contractor was selected. To ensure compliance with this law, DC PCSB requires schools to submit a data form to detail any qualifying procurement contract that the school has executed.

²⁶ D.C. Code § 38.1802.12(c).

²⁷ Detailed compliance chart may be found in Appendix J.

DC PCSB began implementing a new Procurement Contract Submission and Conflicting Interest Policy on July 1, 2018. The statistics below capture DC Bilingual PCS's submissions and corresponding compliance with the policy. The school has been compliant with procurement submissions since July 1, 2018.

- Submissions **Rejected** since July 1, 2017: **0/43**
- Submissions **Received** since July 1, 2017: **43/43**

During the FY 2017 reconciliation process, DC Bilingual PCS confirmed that all FY 2017 contracts had been submitted in a timely manner. A historical record of the school's procurement contract bidding submissions can be found here:

<https://dcpcsb.egnyte.com/fl/v6gliQbGHy>.

Special Education Compliance

Charter schools are required to comply with all federal and local special education laws, including the Individuals with Disabilities Education Act²⁸ (IDEA) and Section 504 of the Rehabilitation Act of 1973.²⁹ The following section summarizes the DC Bilingual PCS's special education compliance from SY 2013-14 to the present.

The D.C. Office of the State Superintendent of Education (OSSE) Special Education Compliance Reviews

OSSE monitors charter schools' special education compliance and publishes three primary types of reports detailing these findings: (1) Annual Determinations; (2) On-Site Monitoring; and (3) Special Conditions Reports. OSSE's findings regarding special education compliance are summarized below.

(1) Annual Determinations

As required by federal regulation, OSSE annually analyzes each LEA's compliance with special education compliance indicators, and it publishes these findings in an Annual Determination report.³⁰ Each year's report is based on compliance data collected from the prior federal fiscal year. For example, in SY 2017-18, OSSE published its 2015 Annual Determination reports (based on the school's 2015-16 performance).

DC Bilingual PCS Annual Determination compliance performance is detailed in the table below.³¹ The LEA has consistently met requirements in implementing the elements of Part B of IDEA.

²⁸ 20 U.S.C. §§ 1400 *et seq.* See 20 U.S.C. § 1413(a)(5).

²⁹ 29 U.S.C. § 794.

³⁰ As required by federal regulation 34 CFR § 300.600(c).

³¹ See Annual Determination reports, attached to this report as Appendix K.

Year	Percent Compliant with Audited Special Education Federal Requirements	Determination Level ³²
2014	93%	Meets Requirements
2015	94%	Meets Requirements
2016	92%	Meets Requirements

(2) On-Site Monitoring Report

OSSE conducts an on-site assessment of an LEA’s special education compliance with student-level and LEA-level indicators in alignment with its coordinated Risk-Based Monitoring,³³ and publishes its findings in an On-Site Monitoring Report. Annually, OSSE assigns a risk designation to each LEA based on several criteria, including its IDEA Part B performance,³⁴ which OSSE uses to determine if an LEA will receive on-site monitoring.³⁵ LEAs are responsible for being 100% compliant with student-level indicators and LEA-level indicators on On-Site Monitoring Reports.³⁶

As of August 2018, OSSE had not conducted an On-Site Monitoring of the school in the last four school years.

(3) Special Conditions Reports

OSSE, pursuant to the special conditions imposed by OSEP on grant awards under IDEA Part B, reports to OSEP three times a year³⁷ on statewide compliance with: initial evaluation timeliness,³⁸ reevaluation timeliness, and secondary transition requirements (for students at age 16 and up). DC Bilingual PCS is evaluated in adhering to initial evaluation and reevaluation timeliness. The outcomes are detailed in the tables below. A distinction of “Not applicable” (N/A) indicates that OSSE did

³² IDEA requires OSSE, as the State educational agency (SEA), to make determinations annually about the performance of LEAs. OSSE is required to use the same categories that the United States Department of Education, Office of Special Education Programs (OSEP) uses for state determinations as outlined in Section 616(d) of IDEA. These categories are: Meets Requirements, Needs Assistance, Needs Intervention, and Needs Substantial Intervention.

³³ See <https://osse.dc.gov/publication/risk-based-monitoring-guidance>.

³⁴ Part B of IDEA applies to students ages 3-22.

³⁵ The type of monitoring an LEA will receive varies depending on its designation as a “high,” “medium,” or “low risk” sub-grantee. An on-site monitoring visit will occur for LEAs classified as “high” risk.

³⁶ If OSSE determined an LEA was less than 100% compliant with a student-level indicator that could not be corrected retroactively, OSSE would identify the point of noncompliance as an LEA-level violation and give the LEA 365 days to correct the finding.

³⁷ Prior to SY 2014-15, OSSE conducted reviews quarterly. The data for the special conditions from that timeframe is thus organized across four quarters.

³⁸ Starting with SY 2017-18, the District of Columbia is no longer under special conditions with OSEP for timeliness of initial evaluations. Moving forward, OSSE will only submit to OSEP special condition reporting on statewide adherence to reevaluation and secondary transition requirements. Initial evaluation data will still be periodically reviewed for compliance and included in Annual Performance Reports (APRs). For the purposes of this report, initial evaluation compliance is included since OSSE reported on this area in the past.

not conduct a review of the school's data for that compliance area during the monitoring period. To date, DC Bilingual PCS has corrected all areas of non-compliance.

Special Conditions Reporting Period – April 2013 through March 2014				
	Quarter 1 (April 1 – June 30)	Quarter 2 (July 1 – September 30)	Quarter 3 (October 1 – December 31)	Quarter 4 (January 1 – March 31)
Initial Evaluation	Non-compliant	N/A	N/A	Compliant
Reevaluation	Non-compliant	N/A	N/A	N/A

Special Conditions Reporting Period – April 2014 through March 2015			
	August Report (April 1 – June 30)	November Report (July 1 – September 30)	May Report (October 1 – March 31)
Initial Evaluation	N/A	Compliant	N/A
Reevaluation	N/A	N/A	N/A

Special Conditions Reporting Period – April 2015 through March 2016			
	August Report (April 1 – June 30)	November Report (July 1 – September 30)	May Report (October 1 – March 31)
Initial Evaluation	N/A	N/A	N/A
Reevaluation	N/A	N/A	N/A

Special Conditions Reporting Period – April 2016 through March 2017			
	August Report (April 1 – June 30)	November Report (July 1 – September 30)	May Report (October 1 – March 31)
Initial Evaluation	N/A	N/A	N/A
Reevaluation	N/A	N/A	N/A

Special Conditions Reporting Period – April 2017 through March 2018			
	August Report (April 1 – June 30)	November Report (July 1 – September 30)	May Report (October 1 – March 31)
Initial Evaluation	N/A	N/A	N/A
Reevaluation	N/A	N/A	N/A

Child Find Monitoring Report

“Child find” is a set of policies, procedures, and public awareness activities designed to locate, identify, and evaluate children who may require special education and related services. Each LEA must have policies and procedures in effect to ensure that child find takes place. As a result of the D.L. v. District of Columbia³⁹ special education litigation, in SY 2017-18 OSSE audited every LEA’s identification rate of enrolled students receiving special education services against the 8.5% target enrollment established in the case. OSSE also

³⁹ D.L. v. The District of Columbia (Case No. 1:05-cv-01437), 860 F.3d 713 (DC Cir. 2017)

conducted desktop reviews of all LEA child find policies to ensure that they were compliant with the law and did not adversely affect identification rates.⁴⁰

As described in a letter to LEA's leader,⁴¹ OSSE found that in SY 2017-18 DC Bilingual PCS identified 15.0% of its students eligible for special education, which is above the 8.5% target enrollment. However, OSSE also reviewed DC Bilingual PCS's child policy, procedures, and practices and determined that they were not compliant with IDEA and local law. As a result, OSSE required that DC Bilingual PCS:

- Revise its policies to address the identified areas of noncompliance.
- Conduct training for all instructional staff, support staff, principals and other school administrators regarding child find processes and procedures prior to the beginning of the 2018-19 school year.

As of November 30, 2018, OSSE's review is still pending. While DC Bilingual PCS has submitted documentation, OSSE has determined that the LEA needs to submit additional documentation before it can complete its review.

Disproportionate Representation Finding

OSSE annually reviews LEAs for inappropriate over identification or disproportionate representation by race and ethnicity of children as children with disabilities. This review is based on the current school year's enrollment audit and child count data. Only LEAs with an enrollment of 40 or more students with IEPs and five or more students with IEPs in the qualifying racial or ethnic subgroup undergo the disproportionate representation data review. For those LEAs found to have disproportionate representation, OSSE requires the LEA to complete and submit a self-study to review its own policies and practices related to child find, evaluation, and eligibility. An LEA will be cited for non-compliance only if the disproportionate representation was found to be the result of inappropriate identification.

In May 2018,⁴² DC Bilingual PCS was notified that it was found to have disproportionate representation in the area of overidentification in the Specific Learning Disability category for Hispanic students. OSSE requested in its notification letter to the school that the LEA complete and submit a self-study assessment. Upon review of the self-study, OSSE determined that the LEA does not have disproportionate representation data based on inappropriate identification.

⁴⁰ For more information, see OSSE's "Dear Colleague" letter on key IDEA requirements related to D.L. v. District of Columbia at <https://osse.dc.gov/publication/dear-colleague-letter-key-idea-requirements-related-dl-v-district-columbia>.

⁴¹ Please find the Child Find Focused Monitoring Report for DC Bilingual PCS attached as Appendix L.

⁴² See 2017-18 Disproportionate Representation Review Report for DC Bilingual PCS as Appendix M.

Hearing Officer Determination (HOD) Implementation Review

OSSE manages and oversees compliance through the HOD Tracker (formerly called the Blackman Jones database) that tracks the timely implementation of actions required by HODs. As of November 2018, no HODs have been issued against DC Bilingual PCS.⁴³

English Learner Compliance

The table below shows the number and percentage of English learner students at DC Bilingual PCS during SY 2017-18. Given that English learner enrollment exceeded 10 students, DC PCSB conducted QSR observations of English learner classrooms and OSSE provided growth data using ACCESS, which is a suite of proficiency assessments that are used to measure K-12 English learners' progress with developing English language skills.

DC Bilingual PCS 2017-18 English Learner Enrollment	
Number	Percent
200	45.5

Implementation of English Language Acquisition Model

According to the questionnaire that DC Bilingual PCS completed prior to QSR observations, the school uses a two-way immersion model of bilingual learning in which native English and Spanish speakers come together for literacy and academic content in the two languages. Outside of the core curriculum, the English learner specialist provides interventions for English learners with reading deficiencies by pushing into classrooms and pulling out students for small-group and individual work. Overall, the school's English learner program provided students with strong language acquisition support inside and outside of the general education setting.

2017-18 ACCESS Growth

ACCESS for English Language Learners (ELLs) 2.0 is DC's annual English language proficiency assessment for grades K-12. The test measures the English language development of students identified as English learners across four domains: listening, reading, speaking, and writing. Students identified as English learners must test every year until they score a Level 5, which indicates English language proficiency. In its STAR Framework, OSSE calculates the percentage of English learners making progress in achieving English language proficiency as measured by their performance on the ACCESS for ELLs 2.0 test. This data was not reported publicly prior to this year. In SY 2017-18, DC Bilingual PCS scored 5.9 percentage points below the state average on the elementary

⁴³ HODs are the written decision issued as a result of a due process complaint that resulted in a hearing. Most complaints are withdrawn for any number of reasons, including settlement. Not all outcomes are required to be tracked. For the purpose charter reviews and renewals, DC PCSB reports only on HODs that resulted in a finding of noncompliance against the LEA.

school framework. The overall state average for this year, inclusive of all grade band frameworks, is 45.8%.

DC Bilingual PCS 2017-18 ACCESS Growth	
Percent of English Learners Meeting Growth to Proficiency Targets	
School	State
45.0	50.9

Progress on Charter Conditions

The chart below assesses the school's progress toward meeting its charter conditions from the school's ten-year review. DC Bilingual PCS has fully satisfied all conditions that were imposed.

SY 2014-15 Review Conditions Monitoring		
Condition	Explanation	Met/Not Met
Over the next four years, the school must fully comply with the SRA's requirements regarding procurement contracts (which will be assessed as part of the school's renewal in 2018-19).	As assessed in the "Procurement Contracts" section above, the school has been compliant with DC PCSB's procurement policies over the course of the review period. Records have been submitted in a substantially timely manner and the school has had no contract rejections.	Met
DC PCSB have access to review the financial books and records of CentroNia to the extent needed to fully understand the financial position of the school.	DC Bilingual PCS amended its governance structure and separated from its management company, CentroNia, in March of 2015. The school was complaint with providing information on CentroNia's financials and concluded that it would be better to separate from the management organization entirely. The school has since strengthened its financials—cash on hand has been above DC PCSB's target, the school has generated positive surpluses, and its net assets have grown as a result of the separation.	Met
The school develop with DC PCSB staff a milestone-based plan to strengthen its financials and segregate them from CentroNia.		

SECTION THREE: FISCAL MANAGEMENT AND ECONOMIC VIABILITY

Introduction

The SRA requires DC PCSB to revoke a school's charter if DC PCSB determines that the school:

- Has engaged in a pattern of nonadherence to generally accepted accounting principles (GAAP);
- Has engaged in a pattern of fiscal mismanagement; and/or
- Is no longer economically viable.⁴⁴

DC PCSB has assessed DC Bilingual PCS's financial performance by reviewing the previous five years of audited financials and DC PCSB's Financial Analysis Review (FAR) reports, dating from FY 2013 through FY 2017. DC PCSB also reviewed the school's unaudited financials for FY 2018 and incorporated this data when relevant. For the purpose of this report, DC PCSB used the FY 2017 FAR Report's "meets expectation" ranges to compare the financial strength of individual measures. The ranges were established where the upper end of the range was the "target" for financial performance and the lower end was the "floor." Schools performing at or above the established targets are determined to be in a strong financial position for the specific metric being assessed. When schools' metrics fall below the established floors, they are further reviewed to determine whether this poses financial concerns. DC PCSB assesses the school's financial condition holistically in order to determine whether operations are adequately managed, sustainable, and economically viable.

KEY for Fiscal Management and Economic Viability Charts	
No Shading	<ul style="list-style-type: none">▪ Within an average, financially healthy range based on the FAR and general finance principles.
Red	<ul style="list-style-type: none">▪ Falling within a range which is cause for concern based on the FAR and general finance principles. Though this does not necessarily show fiscal mismanagement on the part of the school, it indicates that this specific measure fell below the targets that DC PCSB considers financially sound.

Summary of Findings

DC Bilingual PCS has demonstrated adequate fiscal performance during the review period. Its financial audits confirm the school has adhered to GAAP and has adequate internal controls. The school has not engaged in a pattern of fiscal mismanagement, and it is economically viable.

Overall, the school's financial performance is healthy, with positive net assets of \$3.1M, sufficient liquidity, and appropriate debt leverage. Trends in enrollment have been positive, which reflect positively on the school's ability to consistently retain and grow its enrollment numbers year-over-year. The school entered into an agreement in June 2015 to separate

⁴⁴ See D.C. Code § 38-1802.13(b).

from its former management organization, CentroNia, which became effective on November 16, 2015. Since the separation, the school's position has improved overall. DC Bilingual PCS's cash on hand has been above DC PCSB's target, the school has generated positive surpluses, and its net assets have grown as a result of the separation.

Financial Overview

Overall, DC Bilingual PCS has exhibited adequate financial performance. The following table provides an overview of the school's financial information between FY 2013 and FY 2018. DC Bilingual PCS has grown revenue through 2018, with unaudited financial results reflecting an approximate 45% increase in total revenues from 2013. Enrollment numbers for DC Bilingual PCS have been trending positively since 2013 and are not a cause for concern relating to the school's long-term ability to attract and retain students.

Financial Highlights (\$ in 000s)						
	2013	2014	2015	2016	2017	2018*
Maximum Enrollment⁴⁵	372	372	375	436	414	435
Audited Enrollment	339	385	364	403	410	440
Total Revenue	\$7,241	\$8,133	\$8,184	\$9,253	\$8,886	\$10,555
Surplus/(Deficit)⁴⁶	(\$83)	\$183	(\$312)	\$894	\$441	\$1,819
Unrestricted Cash Balances	\$328	\$179	\$158	\$1,217	\$1,799	\$3,257
Number of Days of Cash on Hand⁴⁷	17	8	7	54	68	134
Net Asset Position⁴⁸	\$456	\$639	(\$18)	\$876	\$1,317	\$3,136
Primary Reserve Ratio⁴⁹	6%	8%	0%	11%	16%	15%

*Based on unaudited financials

Fiscal Management

Based on DC PCSB's assessment of the school's liquidity, debt burden, and cost management, the school has shown evidence of adequate fiscal management. Specifically, liquidity is sufficient; the school has no outstanding debt to service; costs are effectively managed; and the internal control environment appears to be strong. These areas are discussed further below.

⁴⁵ Maximum Enrollment represents the largest possible number of students for which the school may receive public funding. It may be higher than the school's targeted or budgeted enrollment, but provides a good proxy for the school's enrollment expectations over time.

⁴⁶ Surplus / (Deficit) is total revenue minus total expenses.

⁴⁷ Number of Days of Cash on Hand equals unrestricted cash and cash equivalents divided by daily operating expenses (which equals annual operating expenses divided by 365 days). It is a measure of the school's ability to pay debts and claims as they come due.

⁴⁸ Net Asset Position equals total assets minus total liabilities.

⁴⁹ Primary Reserve Ratio equals total net assets, less intangible assets, divided by total annual expenses.

Liquidity

Liquidity								
	Floor	Target	2013	2014	2015	2016	2017	2018*
Current Ratio	0.7	1.0	2.0	2.7	1.0	1.8	1.5	1.8
Number of Days of Cash on Hand	15	45	17	8	7	54	68	134

* Based on unaudited financials

Liquidity refers to the school's ability to convert assets to cash in order to meet its immediate financial obligations, particularly in the short-term. DC PCSB measures liquidity by assessing two metrics—the Current Ratio⁵⁰ and Days of Cash on Hand⁵¹—as well as considering the school's solvency.

Current Ratio: The current ratio divides a school's current assets by its current liabilities. "Current" means being available or coming due within the next year. The school's current ratio has consistently been at or above the target of 1.0 for all years since 2013, meaning the school has sufficient means to meet obligations that will come due in the next year.

Days of Cash on Hand: This measure determines how many days of expenses a school can meet with the cash it has in the bank. The school's cash on hand has improved significantly over the past five years. In 2013, the school was just above DC PCSB's floor, with 17 days on hand. In 2014 and 2015, the school dipped below the floor, with eight days and seven days on hand, respectively. Since 2016, the school has been above the target, showing positive trends, with unaudited FY 2018 results of 134 days on hand.

Solvency: The final measure of liquidity is solvency,⁵² which considers the school's overall ability to pay outstanding obligations, including amounts due to vendors, employees, and lenders if the school's charter were to be revoked or non-renewed. DC PCSB reviewed DC Bilingual PCS's 2017 audited financial statements to determine the risk to third parties in the event of school closure. Should the DC PCSB Board vote to close DC Bilingual PCS, staff expect that the school would be able to meet its operating obligations, including estimated closure costs, and the school would not have a shortfall in meeting obligations due to vendors and employees. Given the overall financial health of the school, DC Bilingual PCS's solvency is not an area of concern.

⁵⁰ A school's current ratio is its current assets divided by current liabilities.

⁵¹ Days of Cash on Hand is the amount of unrestricted cash and cash equivalents divided by daily operating expenses, excluding depreciation & amortization.

⁵² Except when the school owns a facility, solvency equals unrestricted cash plus receivables with a high probability of collection, minus liabilities and closure expenses.

Debt Burden

Debt Burden								
	Floor	Target	2013	2014	2015	2016	2017	2018*
Debt Ratio	0.9	0.5	0.5	0.4	1.0	0.5	0.5	0.6
Debt Service Coverage Ratio	1.0	1.2	N/A – metric introduced in FY 2016			N/A – No outstanding debt requiring servicing		

*Based on unaudited financials

Based on DC PCSB's assessment, there are no current concerns related to DC Bilingual PCS's debt burden. DC PCSB reviews two ratios related to debt management – the debt ratio⁵³ and the debt service coverage ratio (DSC).⁵⁴

Debt Ratio: In 2015, the school was highly leveraged, with liabilities almost equal to total assets (e.g., a debt ratio of 1.0), an indicator of concern for this metric. For all other years, the debt ratio has consistently been maintained at appropriate levels. FY 2018 unaudited financials reflect a ratio of 0.6, near DC PCSB's target for performance.

Debt Service Coverage Ratio: The debt service coverage ratio compares a school's current year operating surplus with the interest and principal due on its debt. A high ratio implies sufficient resources were available for debt service, while a low ratio indicates a school's inability to service its debt. The school has not had outstanding long-term debt to service within the last five years; therefore, this metric was not considered.

⁵³ Debt Ratio equals the total liabilities divided by the total assets.

⁵⁴ Debt Service Coverage (DSC) Ratio equals Earnings Before Interest, Depreciation, and Amortization divided by the sum of scheduled principal payments and interest paid (not including balloon payments).

Cost Management

Components of Expenses (\$ in 000s)					
	2013	2014	2015	2016	2017
Salaries and Benefits	\$4,012	\$4,478	\$4,627	\$5,030	\$5,561
Direct Student Costs	\$856	\$834	\$1,019	\$1,384	\$1,402
Occupancy Expenses	\$1,090	\$1,187	\$1,332	\$1,038	\$698
General Expenses⁵⁵	\$1,366	\$1,452	\$1,518	\$907	\$784

As a Percent of Expenses						
	2013	2014	2015	2016	2017	FY 2017 Sector Average
Salaries and Benefits	55%	56%	54%	60%	66%	62%
Direct Student Costs	12%	10%	12%	17%	17%	10%
Occupancy Expenses	15%	15%	16%	23%	8%	16%
General Expenses	19%	18%	18%	8%	9%	10%

The tables above provide an overview of the school's spending decisions over the past five years. It appears that DC Bilingual PCS's expenses are in line with sector averages, with the exception of occupancy and direct student costs. The school has secured a low rent expense, which has allowed it to invest more in direct student costs.

Internal Controls

At the highest level, internal controls are processes assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.

Audits of DC Bilingual PCS establish that the school has adhered to GAAP. The school's auditors issued unmodified audit opinions for all years and there were no material weaknesses identified in internal controls over financial reporting. Additionally, no other findings were identified in internal control over compliance and going concern considerations determined that the school has been stable over time. Based on this assessment, DC Bilingual PCS appears to have an adequate internal control environment.

⁵⁵ DC PCSB has worked with the Financial Oversight Task Force to revise definitions of cost categories, including combining Office Expenses and General Expenses beginning in FY 2016. Other category definitions have also changed over time.

Internal Controls					
	2013	2014	2015	2016	2017
Modified Statement Opinion. The auditor issues an opinion letter on the basic financial statements. An <i>unmodified</i> opinion means the auditor is satisfied professionally that the statements present fairly the financial position of the school and the results of operations. Should there be areas of doubt, the opinion may be <i>modified, adverse, or disclaimed</i> .	No	No	No	No	No
Material Weakness. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the school's financial statements will not be prevented, or detected and corrected in a timely manner.	No	No	No	No	No
Statement Non-Compliance. The auditor tests for compliance with certain provisions of laws, regulations, contracts, and grant agreements. Non-compliance could have a direct and material effect on the determination of financial statement amounts.	No	No	No	No	No
Modified Program Opinion (Uniform Guidance). When expenditures of federal funds are greater than \$750,000, the auditor performs an extended review and issues an opinion letter on compliance with the requirements of laws, regulations, contracts, and grants applicable to each of the school's major federal programs. A <i>modified opinion</i> indicates instances of non-compliance.	No	No	No	No	No
Program Material Weakness (Uniform Guidance). In planning and performing the audit of major federal programs, the auditor considers internal control over compliance with the requirements of applicable laws, regulations, contracts, and grants. A material weakness in internal control indicates that there is a reasonable possibility of material non-compliance with a requirement of a federal program that will not be prevented, or detected and corrected, on a timely basis.	No	No	No	No	No
Findings & Questioned Costs. The auditor discloses audit findings that are important enough to merit attention by those charged with governance, with documentation of corrective action plans noting the responsible party.	3 ⁵⁶	0	0	0	0
Unresolved Prior Year Findings. The auditor discloses prior year audit findings that have not been corrected.	1 ⁵⁷	No	No	No	No
Going-Concern Issue. The auditor indicates that the financial strength of the school is questioned.	No	No	No	No	No

⁵⁶ In 2013, the school's independent auditors, Walker & Co, identified three significant deficiencies over major Federal programs: 1.) Procurement bidding (prior year finding) 2.) Compliance with Child Nutrition Cluster regulations, and 3.) Inconsistent review controls relating to free and reduced lunch program. All findings were remediated and not identified as significant deficiencies in subsequent years.

⁵⁷ See footnote 51.

Internal Controls					
	2013	2014	2015	2016	2017
Debt-Compliance Issue. The audit discloses that the school was not in compliance with certain debt covenants. A debt-compliance issue may prelude insolvency.	No	No	No	No	No

Economic Viability

Considering earnings, cash flows, reserves, and trends in both enrollment and revenue, DC PCSB staff has no concerns regarding DC Bilingual PCS's long-term economic viability. Trends in enrollment have reflected positively on DC Bilingual PCS, as the school has been able to consistently retain or grow its enrollment numbers. The school has generated operating surpluses for four of the past five years and reserve numbers have been sufficient to cover the deficits generated.

(\$ in 000s)	Floor	2013	2014	2015	2016	2017	2018*
Surplus/Deficit	<0	(\$83)	\$183	(\$312)	\$894	\$441	\$1,819
Earnings before Depreciation and Amortization	<0	(\$3)	\$243	(\$279)	\$953	\$530	\$1,921

* Based on unaudited financials

Earnings and Operating Cash Flow

One measure of economic viability is whether a school runs a surplus – put simply, whether revenues exceed expenditures. While healthy schools can occasionally run deficits, in most years they do not. Earnings before Depreciation and Amortization (EBDA) removes major non-cash items from the earnings calculation and is an indicator of whether the school has generated positive cash for the year.⁵⁸

DC Bilingual PCS had positive earnings and positive EBDA in four of the last five years, with unaudited financials for 2018 reflecting positive results. The school has not consistently operated at a deficit and net assets have been sufficient to cover these losses.

(\$ in 000s)	Floor	Target	2013	2014	2015	2016	2017	2018*
Net Asset Position	\$ 0	N/A	\$456	\$639	(\$18)	\$876	\$1,317	\$3,136
Primary Reserve Ratio	0%	25 %	6%	8%	0%	11%	16%	15%

* Based on unaudited financials

⁵⁸ EBDA is the change in net assets plus depreciation and amortization.

Net Asset Position

Net Asset Position measures a school's assets less its liabilities. DC PCSB would be concerned with net assets reserves below zero, which was the school's position in 2015; the school has maintained a positive net asset position for all other years under review. Further, the net asset position has grown by more than 500% from 2013 to 2018, based on unaudited 2018 results.

Primary Reserve Ratio

The Primary Reserve Ratio divides net assets by a school's total expenses to measure net assets relative to the size of the school. The Primary Reserve ratio has grown from 6% in FY 2013 to 15% in 2018*. While this is adequate, the metric is still less than DC PCSB's 25% target for this ratio.

Enrollment and Revenue Trends

The final measures of economic viability are trends in enrollment and revenues. Enrollment trends provide information about a school's ability to attract students and receive DC and Federal funds for operations. Stable or increasing enrollment and revenue indicate that a school is likely to remain financially stable, barring extraordinary circumstances.

DC Bilingual PCS has experienced consistent enrollment since 2013, which is a positive indicator of the school's ability to attract and retain students for long-term sustainability.

Enrollment over Time						
	2013	2014	2015	2016	2017	2018
Enrollment	339	385	364 ⁵⁹	403	410	440
Growth in Enrollment	-	14%	(5%)	11%	2%	7%
Total Revenue	\$7,241	\$8,133	\$8,184	\$9,253	\$8,886	\$10,555
Growth in Revenues	-	12%	1%	13%	(4%)	19%

⁵⁹ This year the school went from having a sixth grade to returning to PK3-5, the school was incubating the sixth grade for DC International.