

Lea Crusey Board Chair

Michelle J. Walker-Davis, Ed.D. Executive Director

March 21, 2024

#### Via Electronic Mail

Aaron Lentner Board Chair

Joe Smith
Executive Director

Eagle Academy Public Charter School 400 Virginia Ave SW Washington, DC 20024

#### Re: 20-Year Charter Review of Eagle Academy Public Charter School

Dear Mr. Lentner and Mr. Smith:

As you know, the DC Public Charter School Board (DC PCSB) must conduct a high-stakes review of a public charter school at least once every five years to determine whether the school's charter should be continued or revoked.¹ During the 2022-23 school year, DC PCSB conducted such a review of Eagle Academy Public Charter School (Eagle PCS). DC PCSB staff prepared a comprehensive review report to assess the performance of the school according to the standard required by the School Reform Act.²

On December 19, 2022, DC PCSB staff provided the school with a draft version of this report and allowed an opportunity for the school to respond. DC PCSB staff considered the school's feedback and incorporated it where staff determined appropriate to create a preliminary charter review report. Based on the findings in the preliminary charter review report, staff developed a proposal to present before the DC PCSB Board recommending the school's charter be continued.

<sup>&</sup>lt;sup>1</sup> See DC Code § 38–1802.12(a)(3).

<sup>&</sup>lt;sup>2</sup> See DC Code § 38–1802.13(a)-(b).



Lea Crusey Board Chair

Michelle J. Walker-Davis, Ed.D. Executive Director

At its public board meeting on January 23, 2023, the DC PCSB Board voted to continue the school's charter for the reasons outlined in the review report and accompanying proposal, incorporating and adopting the staff's findings and recommendations.

Representatives from the school were in attendance at the meeting and were provided an opportunity to address the DC PCSB Board prior to this vote. Members of the public were also allowed an opportunity to provide public comment prior to the vote.

Please see the following signed copy of the accompanying staff proposal, which outlines the basis upon which the DC PCSB Board voted to continue the school's charter along with the finalized version of the charter review report.

Thank you for your continued efforts in service of the students of the District of Columbia.

Sincerely yours,

Lea Crusey Board Chair

Cc: School Leaders

Michelle J. Walker-Davis, Ed.D.

**Executive Director** 

#### DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

Charter Action	s Requiring a Vote	Non-Voting Board Items
Approve a C	harter Application (15 yrs)	☐ Public Hearing Item
Approve a C	harter Renewal (15 yrs)	Discussion Item
Approve Ch	arter Continuance	Read into Record
Approve a C	harter Amendment Request	
☐ Give a Chart	er Notice of Concern	
Lift the Cha	rter Notice of Concern	
Commence	Charter Revocation Proceedi	ngs
Revoke a Ch	narter	
☐ Board Actio	n, Other	
Approve a N	/ Policy or Changes to a Policy lew Policy Amendment to an Existing Po	
PREPARED BY:	Nada Mousa, Senior Special Department	list, School Performance
SUBJECT:	Charter Review: Eagle Acad	lemy Public Charter School
DATE:	January 23, 2023	

#### Recommendation

District of Columbia Public Charter School Board (DC PCSB) DC PCSB staff recommends that its Board vote to continue the charter of Eagle Academy Public Charter School (Eagle PCS). This recommendation aligns with DC PCSB's Strategic Roadmap Priority of Excellent Schools.<sup>1</sup>

#### **Charter Review Findings**

DC PCSB staff conducted a 20-year charter review of Eagle PCS, as required by the School Reform Act (SRA).<sup>2</sup> The review includes an evaluation of the school's 1) progress toward meeting its goals and academic achievement expectations (charter goals); 2) compliance with its charter and applicable federal and local laws; and 3)

<sup>&</sup>lt;sup>1</sup> DC PCSB is creating the policy and conditions to support a network of public charter schools in Washington, DC, offering families quality, equity, and diverse educational choices. See the Strategic Roadmap here: <a href="https://bit.ly/3EVeKYg">https://bit.ly/3EVeKYg</a>.

<sup>&</sup>lt;sup>2</sup> D.C. Code §§ 38-1802 et seq.

fiscal management. The chart below summarizes DC PCSB staff's findings in these three areas over the review period.

Charter Review Findings							
Review Period	School yea	School year (SY) 2017 – 18 through SY 2021 – 22					
Charter Goals	Eagle PCS	<b>met</b> its cha	rter goals.				
Compliance	Eagle PCS	did not vio	late the law o	r materially	violate its cl	narter.	
Finance	Eagle PCS <b>did not</b> commit fiscal mismanagement.						
Perform	Performance Management Framework (PMF) Outcomes						
Campus	2017 - 18   2018 - 19   2019 - 20   2020 - 21   2021 - 22   Averag					Average	
Eagle PCS – Capitol Riverfront	52.1%	76.8%				64.5%	
Eagle PCS – Congress Heights	34.2%	69.7%	Not Applicable (NA) <sup>3</sup> 52.6			52.0%	

Eagle PCS adopted the PMF as its charter goals, in accordance with DC PCSB's *Elect to Adopt the PMF as Charter Goals Policy* (*PMF as Goals Policy*). In doing so, Eagle PCS committed to earning an average PMF score equal to or exceeding 50.0% at each of its campuses during the review period. As the chart above shows, Eagle PCS met its charter goals, with both campuses earning above the targeted PMF average.

DC PCSB staff also found the school has not committed a violation of law or a material violation of its charter, and has not committed fiscal mismanagement, meaning the school has adhered to generally accepted accounting principles, has not engaged in a pattern of fiscal mismanagement, and is economically viable.

DC PCSB staff's complete findings are detailed in the school's Preliminary Charter Review Report (Attachment A), which forms the basis of staff's recommendation along with this proposal. The report will be finalized following the Board's vote on the school's continuance.

<sup>&</sup>lt;sup>3</sup> As written in DC PCSB's *COVID-19 Impact Policy*, the "COVID-19 public health emergency resulted in all DC public charter schools physically closing and implementing distance learning programs." Consequently, per the policy, DC PCSB ceased collection, aggregation, and publication of SY 2019 – 20 academic data and did not produce the SY 2019 – 20 PMF. Similarly, though DC PCSB resumed collection of a limited set of SY 2020 – 21 PMF data, it did not produce the SY 2020 – 21 PMF. In September 2021, DC PCSB announced its plan to develop a revised accountability framework. Consequently, DC PCSB did not produce the SY 2021 – 22 PMF. For details, see the *COVID-19 Impact Policy* here: <a href="https://bit.ly/3fy5zDo">https://bit.ly/3fy5zDo</a>. Also see DC PCSB's September 2021 public meeting materials and recorded discussion here: <a href="https://bit.ly/3JpiB2x">https://bit.ly/3JpiB2x</a>.

#### **Additional Academic Data**

To support evaluation during the COVID-19 recovery period, DC PCSB staff collected SY 2021 – 22 transitional goals data from all schools.<sup>4</sup> For schools serving early childhood and elementary students like Eagle PCS, transitional goals data includes the following outcomes: growth on a nationally normed assessment, Partnership for Assessment of Readiness for College and Careers (PARCC) proficiency, achievement on early childhood assessments, attendance, re-enrollment, and Classroom Assessment Scoring System (CLASS). See Eagle PCS's SY 2021 – 22 transitional goals performance on pages 27 through 29 of the attached Preliminary Charter Review Report. Per the *COVID-19 Impact Policy*, DC PCSB uses SY 2021 – 22 transitional goals data as supplemental evidence of school performance, but only if it helps the school.<sup>5</sup>

In addition to collecting transitional goals data, DC PCSB staff conducted a Qualitative Site Review (QSR) at Eagle PCS during school years 2018 – 19 and 2022 – 23.6 DC PCSB uses the QSR to evaluate schools' environment and instructional quality. Like transitional goals data, QSR outcomes provide supplemental evidence of school quality. See Eagle PCS's SY 2022 – 23 QSR performance on pages 11 through 13 of the attached Preliminary Charter Review Report.

#### **Charter Review Standard**

The SRA stipulates that DC PCSB "shall review [a school's] charter at least once every [five] years."<sup>7</sup> As part of this review, DC PCSB must determine whether:

- The school committed a violation of applicable law 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; and/or
- 2. The school failed to meet the goals and student academic achievement expectations set forth in its charter.<sup>8</sup>

If DC PCSB determines that a school has committed a violation of applicable law or a material violation of the terms of its charter, or has not met its goals and academic

<sup>&</sup>lt;sup>4</sup> See DC PCSB's transitional goals description in the *COVID-19 Impact Policy*, <a href="https://bit.ly/3JCFwIQ">https://bit.ly/3JCFwIQ</a>, p. 2. <sup>5</sup> Ibid., p. 6.

<sup>&</sup>lt;sup>6</sup> DC PCSB typically conducts QSR visits one year before a school's charter review. DC PCSB postponed Eagle PCS's QSR visits until SY 2022 – 23 because both campuses experienced health and safety challenges during their initial observation window in SY 2021 – 22.

<sup>&</sup>lt;sup>7</sup> D.C. Code § 38-1802.12(a)(3).

<sup>&</sup>lt;sup>8</sup> D.C. Code § 38-1802.13(a).

achievement expectations, it may, at its discretion, revoke the school's charter, or grant the school a continuance.<sup>9</sup>

Additionally, there is a fiscal component to the charter review. DC PCSB is required by the SRA to revoke a school's charter if DC PCSB determines in its review 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>

#### **Background**

Eagle PCS began operation in 2003 under authorization from DC PCSB. The school educates 415 students in pre-kindergarten 3 through third grade.<sup>11</sup> Eagle PCS operates two campuses across two facilities located in Wards 6 and 8. Eagle PCS's mission is to:

build the foundation for a promising future for all students in a rich, robust learning environment that fosters creativity and problem-solving abilities, emphasizing cognitive, social, and emotional growth by engaging children as active learners in an inclusive learning environment.

#### **Notification**

On December 6, 2022, DC PCSB staff notified Advisory Neighborhood Commissioners Rhonda Natalie Hamilton (6D08) and Salim Adofo (8C07) of the school's 20-year charter review. DC PCSB staff also posted a notice for public comment on the charter review in the DC Register and on the DC PCSB website.<sup>12</sup>

#### **Attachment to this Proposal**

Attachment A: Eagle PCS 20-Year Preliminary Charter Review Report

Date:XApprovedApproved with ChangesRejected
Changes to the Original Proposal:
DC PCS Board Chair Signature:

<sup>&</sup>lt;sup>9</sup> DC PCSB may impose conditions of continuance if it deems such conditions appropriate.

<sup>&</sup>lt;sup>10</sup> D.C. Code § 38-1802.13(b).

<sup>&</sup>lt;sup>11</sup> This enrollment figure is based on preliminary, unvalidated data as of October 5, 2022.

<sup>&</sup>lt;sup>12</sup> See the notice here: <a href="https://bit.lv/3jNTtLq">https://bit.lv/3jNTtLq</a>.



# 2022 – 23 20-Year Charter Review Report Eagle Academy Public Charter School

January 23, 2023

DC Public Charter School Board 3333 14th Street NW, Suite 210 Washington, DC 20010 (202) 328-2660 www.dcpcsb.org

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#### **BOARD VOTE AND KEY FINDINGS**<sup>1</sup>

Eagle Academy Public Charter School (Eagle PCS) <sup>2, 3</sup>							
Review or Renewal	20-year ch	20-year charter review					
Review Period	School yea	ar (SY) 2017 -	- 18 through S	SY 2021 – 22			
Charter Goals	Eagle PCS	<b>met</b> its cha	rter goals.				
Compliance	Eagle PCS	Eagle PCS <b>did not</b> violate the law or materially violate its charter.					
Finance	Eagle PCS	Eagle PCS <b>did not</b> commit fiscal mismanagement.					
Board Vote	The Board voted 5 – 0 to continue Eagle PCS's charter.						
Perform	Performance Management Framework (PMF) Outcomes <sup>4</sup>						
Campus	2017 - 18   2018 - 19   2019 - 20   2020 - 21   2021 - 22   Avera					Average	
Eagle PCS – Capitol Riverfront	52.1%	76.8%				64.5%	
Eagle PCS – Congress Heights	34.2%	69.7%	Not Applicable (NA) <sup>5</sup> 52.			52.0%	

Pursuant to the School Reform Act (SRA), the DC Public Charter School Board (DC PCSB) "shall review [a school's] charter at least once every [five] years." As such, DC PCSB conducted a 20-year charter review of Eagle PCS, evaluating the school's progress toward meeting its goals and academic achievement expectations (charter goals). Eagle PCS adopted the PMF as its charter goals, in accordance with DC PCSB's *Elect to Adopt the PMF as Charter Goals Policy* (*PMF as Goals Policy*). In doing so, Eagle PCS committed to earning an average PMF score equal to or exceeding 50.0% at each of its campuses during the review period. As the chart above shows, Eagle PCS met its charter goals, with both campuses earning above the targeted PMF average.

<sup>&</sup>lt;sup>1</sup> To request a text-only and/or a black and white version of this report, please contact communications@dcpcsb.org.

<sup>&</sup>lt;sup>2</sup> See the appendices to this report here: http://bit.ly/3AxZAZR.

<sup>&</sup>lt;sup>3</sup> See Eagle PCS's Charter Agreement and Amendments, Appendices A1 – A3.

<sup>&</sup>lt;sup>4</sup> See Eagle PCS's PMF scorecards, Appendices B1 – B4.

<sup>&</sup>lt;sup>5</sup> As written in DC PCSB's *COVID-19 Impact Policy*, the "COVID-19 public health emergency resulted in all DC public charter schools physically closing and implementing distance learning programs." Consequently, per the policy, DC PCSB ceased collection, aggregation, and publication of SY 2019 – 20 academic data and did not produce the SY 2019 – 20 PMF. Similarly, though DC PCSB resumed collection of a limited set of SY 2020 – 21 PMF data, it did not produce the SY 2020 – 21 PMF. In September 2021, DC PCSB announced its plan to develop a revised accountability framework. Consequently, DC PCSB did not produce the SY 2021 – 22 PMF. For details, see the *COVID-19 Impact Policy* here: <a href="https://bit.ly/3fy5zDo">https://bit.ly/3fy5zDo</a>. Also see DC PCSB's September 2021 public meeting materials and recorded discussion here: <a href="https://bit.ly/3JpiB2x">https://bit.ly/3JpiB2x</a>.

<sup>&</sup>lt;sup>6</sup> D.C. Code § 38-1802.12(a)(3).

<sup>&</sup>lt;sup>7</sup> See the PMF as Goals Policy here: https://bit.ly/2PTj7fL.

DC PCSB also evaluated the school's compliance with applicable federal and local laws, compliance with its charter, and fiscal management. DC PCSB determined the school has not committed a violation of law or a material violation of its charter, has adhered to generally accepted accounting principles (GAAP), has not engaged in a pattern of fiscal mismanagement, and is economically viable.

At its public board meeting on January 23, 2023, the DC PCSB Board voted 5 – 0 to continue Eagle PCS's charter.

The following report includes a school background section followed by analyses of the school's academic performance, charter and legal compliance, and fiscal management.

#### SCHOOL BACKGROUND

Eagle PCS					
Year Opened	2003 – 04	Ward(s)	6, 8		
Number of	<b>a</b>	Year(s) of Previous	2008 – 09, 2012 – 13, and		
Campuses	۷	Review	2017 – 18		
<b>Current Enrollment</b>	920	Current	415 <sup>8</sup>		
Ceiling	920	Enrollment	415		
Current Grade Span by Campus					

Eagle PCS – Capitol Riverfront	Eagle PCS – Congress Heights
Pre-kindergarten 3 (PK3) – 3	PK3 – 3

#### **Mission Statement**

Eagle PCS's mission is to build the foundation for a promising future for all students in a rich, robust learning environment that fosters creativity and problem-solving abilities, emphasizing cognitive, social, and emotional growth by engaging children as active learners in an inclusive learning environment.

#### **School Overview**

Eagle PCS began operation in 2003 under authorization from DC PCSB, initially operating as a single-campus local education agency (LEA)9 serving students in grades PK3 – 3. In SY 2012 – 13, Eagle PCS opened a second campus. That same school year, the school introduced a Science, Technology, Engineering and Mathematics through the Arts (STEAM) curricular focus designed for early childhood learners. 10 Per its SY 2019 – 20 Annual Report, 11 Eagle PCS employs a STEAM Integration Specialist for its PK3 and pre-kindergarten 4 (PK4) students. It also employs full-time STEAM instructors for students in kindergarten (K) – 3.

In accordance with its mission, Eagle PCS focuses on offering students holistic services to meet their academic, social, emotional, and physical needs.<sup>12</sup> To that end, the school commits to providing "wraparound services in the areas of physical/dental/mental health, and social services referrals for their parents."13

#### **Enrollment and Demographic Data**

The table below shows the school's enrollment history during the review period. 14

<sup>&</sup>lt;sup>8</sup> This enrollment data is based on preliminary, unvalidated data as of October 5, 2022.

<sup>&</sup>lt;sup>9</sup> An "LEA" is any individual or group of public charter schools operating under a single charter.

<sup>&</sup>lt;sup>10</sup> See Eagle PCS's 2021 – 22 Annual Report, Appendix C, p. 6.

<sup>&</sup>lt;sup>11</sup> See Eagle PCS's 2019 – 20 Annual Report, Appendix D, p. 11.

<sup>&</sup>lt;sup>12</sup> See Eagle PCS's 2020 – 21 Annual Report, Appendix E, p. 4.

<sup>&</sup>lt;sup>13</sup> See Eagle PCS's 2019 – 20 Annual Report, Appendix D, p. 3.

<sup>14</sup> The "-" symbol notes campuses that do not or did not enroll the corresponding grade(s) or student group(s).

Eagle PCS							
School Year 2017 – 18 2018 – 19 2019 – 20 2020 – 21 2021 – 22							
Audited Enrollment <sup>15</sup>	935	838	830	705	527		
Enrollment Projections <sup>16</sup>	890	920	920	825	710		
Enrollment Ceiling <sup>17</sup>	920	920	920	920	920		

School Year	2017 – 18	2018 – 19	2019 – 20	2020 – 21	2021 – 22			
Eagle PCS – Capitol Riverfront								
PK3	40	26	29	21	17			
PK4	36	41	37	31	19			
K	35	33	29	35	20			
1	23	27	34	23	17			
2	16	15	25	26	21			
3	15	14	16	21	21			
	Eagle PCS	– Congress H	eights					
PK3	107	94	92	51	33			
PK4	167	112	117	86	52			
K	158	151	114	106	67			
1	141	149	136	95	83			
2	101	104	114	114	81			
3	96	72	87	96	96			

The maps below show where SY 2021 – 22 Eagle PCS students live in relation to the campuses, which are marked by a red dot. The blue gradient represents the density of students. As the maps show, Eagle PCS enrolls students from every ward in the District, though most of its students come from Ward 8.

<sup>15</sup> The Office of the State Superintended of Education (OSSE) conducts an annual enrollment audit to determine the number of students at each public school in the District.

<sup>&</sup>lt;sup>16</sup> Each year, charter LEAs, DC PCSB, and the Office of the Deputy Mayor for Education (DME) must project student enrollment for the following school year. The enrollment projections displayed are determined by DME and DC PCSB and may be different than the LEA's projections.

<sup>&</sup>lt;sup>17</sup> Each charter LEA has an enrollment ceiling in its charter agreement, designating the maximum number of students the school can receive per pupil funding for each school year.

Eagle PCS – Capitol Riverfront



Eagle PCS – Congress Heights



The chart below schools the school's student demographics for SY 2021 - 22.

Student Group	Percentage Enrolled
At-Risk Students <sup>18</sup>	72.1%
English Learners <sup>19</sup>	-
Students with Disabilities (SWD) <sup>20</sup>	15.0%
American Indian or Alaska Native	-
Asian	0.6%
Black or African American	96.8%
Hispanic/Latino	0.6%
Multiracial	-
Native Hawaiian or Other Pacific Islander	-
White	1.9%

<sup>&</sup>lt;sup>18</sup> D.C. Code § 38–2901(2A) defines "at-risk" as a DCPS student or a public charter school student who is identified as one or more of the following: a) homeless; b) in the District's foster care system; c) qualifies for the Temporary Assistance for Needy Families program or the Supplemental Nutrition Assistance Program; or d) a high school student who is one year older, or more, than the expected age for the grade in which the student is enrolled.

<sup>19</sup> English learners are students whose native language is a language other than English. An English learner may have difficulty speaking, reading, writing, or understanding the English language.

<sup>&</sup>lt;sup>20</sup> SWD are students identified as having an Individualized Education Program (IEP) that details the special education services the students must receive. For demographic data, DC PCSB counts any student who was identified as SWD through the year in the final calculation.

#### **School Climate**

The charts below report Eagle PCS's performance across three school environment measures: out-of-school suspension (OSS) rates, mid-year withdrawal (MYW) rates, and inseat attendance (ISA) rates. DC PCSB presents these measures by applicable student groups and compares them to the relevant student groups within the DC public charter sector. These data do not factor into DC PCSB continuance determination. Still, isolating school environment measures by student groups helps to identify whether there may be access and opportunity disparities.<sup>21</sup>

#### **OSS Rates**

An OSS is when a school temporarily removes a student from school grounds for disciplinary reasons. The OSS rate is the percentage of students who received an OSS. The charts below detail Eagle PCS's average OSS rates by grade band and student group compared to the DC public charter sector's average OSS rates.<sup>22</sup>

Key for OSS and MYW Rates				
Green	Equal to or less than the sector rate			
Red	More than the sector rate			
Grey	n < 10; the number of students (n-size) is less than $10^{23}$			

Two-Year (SY 2017 – 18 and SY 2018 – 19) Average OSS Rates						
School/Sector	Grade Band	At-Risk Students	English Learners	Students with Disabilities		
Eagle PCS	PK3 – PK4	0.0%	n < 10	0.0%		
Sector	PK3 - PK4	0.0%	0.0%	0.2%		
Eagle PCS	K-5	3.4%	n < 10	3.5%		
Sector	K – 5	8.8%	1.8%	12.2%		

 $<sup>^{21}</sup>$  The following school climate charts do not include SY 2019 – 20, SY 2020 – 21, and SY 2021 – 22 data in the multi-year average values. The COVID-19 pandemic made these years unique and difficult to compare to other years. Consequently, DC PCSB shares two-year averages (SY 2017 – 18 and SY 2018 – 19) as well as standalone outcomes for SY 2019 – 20, SY 2020 – 21, and SY 2021 – 22 in this section of the report. Additionally, all rates for SY 2019 – 20 include data from August 2019 through February 2020. DC PCSB ceased collecting OSS, MYW, and ISA data after March 2020 in response to the pandemic.

 $<sup>^{22}</sup>$  For SY 2020 – 21, DC PCSB determined the number of students suspended across the charter sector, including Eagle PCS, is too small to report.

 $<sup>^{23}</sup>$  DC PCSB does not report on values when the n-size is less than 10.

SY 2019 – 20 Average OSS Rates				
School/Sector	Grade Band	At-Risk	English	Students with
School/Sector		Students	Learners	Disabilities
Eagle PCS	PK3 – PK4	0.0%	n < 10	0.0%
Sector	PNJ-PN4	0.0%	0.0%	0.0%
Eagle PCS	K-5	2.9%	n < 10	1.6%
Sector	K-5	3.5%	0.4%	5.2%

SY 2021 – 22 Average OSS Rates				
School/Sector	Grade Band	At-Risk	English	Students with
		Students	Learners	Disabilities
Eagle PCS	PK3 – PK4	0.0%	n < 10	0.0%
Sector	PK3 - PK4	0.0%	0.0%	0.0%
Eagle PCS	K-5	5.1%	n < 10	5.6%
Sector		2.4%	0.4%	4.0%

#### MYW Rates

The MYW rate is the percentage of students who have withdrawn from school during the school year. The charts below detail Eagle PCS's average MYW rates by grade band and student group compared to the DC public charter sector's average MYW rates.

Two-Year (SY 2017 – 18 and SY 2018 – 19) Average MYW Rates					
School/Sector	Grade Band	At-Risk	English	Students with	
3ci iooi/3ectoi	Grade Barid	Students	Learners	Disabilities	
Eagle PCS	PK3 – PK4	5.0%	n < 10	1.5%	
Sector	PK3-PK4	5.8%	4.4%	3.6%	
Eagle PCS	K-5	4.4%	n < 10	4.7%	
Sector		4.6%	2.4%	3.8%	

SY 2019 – 20 Average MYW Rates				
School/Sector	Grade Band	At-Risk Students	English Learners	Students with Disabilities
Eagle PCS	PK3 – PK4	4.3%	n < 10	3.4%
Sector	PK3 - PK4	3.7%	4.7%	2.9%
Eagle PCS	K-5	4.1%	n < 10	4.1%
Sector	N-5	2.9%	2.3%	3.1%

SY 2020 – 21 Average MYW Rates				
School/Sector	Grade Band	At-Risk Students	English Learners	Students with Disabilities
Eagle PCS	PK3 – PK4	8.4%	n < 10	5.0%
Sector	PN3 - PN4	3.6%	3.7%	3.2%
Eagle PCS	K-5	1.0%	n < 10	1.9%
Sector	K-3	1.6%	1.4%	1.4%

SY 2021 – 22 Average MYW Rates				
School/Sector	Grade Band	At-Risk Students	English Learners	Students with Disabilities
		Students	Learners	Disabilities
Eagle PCS	PK3 – PK4	8.3%	n < 10	0.0%
Sector		6.9%	4.6%	4.1%
Eagle PCS	K-5	4.4%	n < 10	1.1%
Sector	K-3	5.0%	2.9%	3.9%

# ISA Rates

The ISA rate is the percentage of students who were present each day. The charts below detail Eagle PCS's data by grade band and student group compared to the DC public charter sector's average ISA rates.

Key for ISA Rates			
Green	Equal to or more than the sector rate		
Red	Less than the sector rate		
Grey	n < 10; the n-size is less than 10		

Two-Year (SY 2017 – 18 and SY 2018 – 19) Average ISA Rates				
School/Sector	Grade Band	At-Risk Students	English Learners	Students with Disabilities
Eagle PCS	PK3 – PK4	87.7%	100%	89.6%
Sector		88.1%	91.7%	90.5%
Eagle PCS	K-5	90.2%	94.7%	90.2%
Sector	N-3	91.7%	94.9%	92.0%

SY 2019 – 20 Average ISA Rates				
School/Sector	Grade Band	At-Risk Students	English Learners	Students with Disabilities
Eagle PCS	PK3 – PK4	87.3%	n < 10	87.5%
Sector	PK3 - PK4	88.6%	91.5%	90.3%
Eagle PCS	K-5	90.4%	n < 10	90.5%
Sector	1 1 1 - 3	92.3%	94.9%	92.9%

SY 2020 – 21 Average ISA Rates				
School/Sector	Grade Band	At-Risk	English	Students with
Scriooi, Sector		Students	Learners	Disabilities
Eagle PCS	PK3 – PK4	68.1%	n < 10	75.8%
Sector		72.0%	85.1%	79.1%
Eagle PCS	K-5	75.7%	n < 10	79.5%
Sector	1 1 1	85.7%	92.8%	87.8%

SY 2021 – 22 Average ISA Rates				
School/Sector	Grade Band	At-Risk Students	English Learners	Students with Disabilities
Eagle PCS	PK3 – PK4	81.6%	n < 10	84.0%
Sector	PK3 - PK4	77.5%	85.6%	81.7%
Eagle PCS	K-5	83.3%	n < 10	84.0%
Sector	K-5	81.9%	90.6%	84.8%

#### **Qualitative Site Review**

DC PCSB uses QSR visits to assess schools across two domains—classroom environment and instruction, as defined in the Charlotte Danielson *Framework for Teaching*.<sup>24</sup> After conducting unannounced observations, the QSR team rates the classroom environment and instruction as "unsatisfactory, "basic," "proficient," or "distinguished."

During SY 2018 – 19, DC PCSB conducted a QSR at Eagle PCS – Congress Heights because the campus received a Tier 3 (low-performing) rating on the SY 2017 – 18 PMF.<sup>25, 26</sup> In the classroom environment domain, observers noted that teachers interacted with students respectfully and encouraged positive interactions between students. In the instruction domain, observers noted academic rigor and engagement were uneven across classrooms.

<sup>&</sup>lt;sup>24</sup> Danielson, Charlotte. *The Framework for Teaching: Evaluation Instrument*. Princeton, NJ: Danielson Group, 2013.

 $<sup>^{25}</sup>$  This practice is consistent with DC PCSB's SY 2018 – 19 QSR Protocol. See the protocol here: https://bit.ly/3VqZb6j, p. 4.

<sup>&</sup>lt;sup>26</sup> See Eagle PCS – Congress Heights' SY 2018 – 19 QSR Report, Appendix F.

Students had few opportunities to think critically. Overall, the QSR team scored 82.0% of observations as distinguished or proficient in the classroom environment domain, and 56.0% of observations as distinguished or proficient in the instruction domain.<sup>27</sup>

During SY 2022 – 23,<sup>28</sup> in anticipation of this review, DC PCSB conducted QSR visits at both Eagle PCS campuses.<sup>29</sup> In the classroom environment domain, observers noted that talk between teachers and students and among students was uniformly respectful in most classrooms. Across both campuses, classrooms began the day with a morning meeting, allowing students to interact and build relationships with one another. At Eagle PCS – Capitol Riverfront, teachers unsuccessfully attempted to maintain classroom order, resulting in a loss of instructional time. In the instruction domain, observers noted most teachers stated clearly, at some point during the lesson, what students would be learning. Additionally, most students engaged with learning tasks, indicating that they understood what to do. While teachers clearly communicated content, in some classrooms, academic tasks required minimal intellectual engagement. Further, most teachers posed questions with a single correct answer, limiting student engagement. At Eagle PCS – Congress Heights, student behavior was generally appropriate; when necessary, most teachers effectively managed student misbehavior.

The following chart details the percentage of Eagle PCS classrooms, by campus, the QSR team rated as proficient or distinguished in each domain during the SY 2022 – 23 visits. It also reports the average percentage of comparable public charter school classrooms that received proficient and distinguished ratings in each domain.

Campus/Sector	Classroom Environment	Instruction
Percentage Rated	Proficient or Distinguis	shed
Eagle PCS – Congress Heights	80.0%	73.0%
Eagle PCS – Capitol Riverfront	67.0%	78.0%
Average score for pre-kindergarten (PK) – 8 public charter schools	89.0%	80.0%

Eagle PCS campuses scored below average in both domains compared to PK – 8 public charter schools that received a QSR during SY 2021 – 22.<sup>30</sup>

 $<sup>^{27}</sup>$  For comparison, during the five-year period from SY 2014 – 15 through SY 2018 – 19, DC PCSB rated 76.0% of pre-kindergarten (PK) – 8 classrooms as distinguished or proficient in the classroom environment domain. During the same period, DC PCSB rated 68.0% of PK – 8 classrooms as distinguished or proficient in the instruction domain.

<sup>&</sup>lt;sup>28</sup> DC PCSB typically conducts QSR visits one year before a school's charter review. DC PCSB postponed Eagle PCS's QSR visits until SY 2022 – 23 because both campuses experienced health and safety challenges during their initial observation window in SY 2021 – 22.

<sup>&</sup>lt;sup>29</sup> See Eagle PCS's SY 2022 – 23 QSR Reports, Appendices G1 – G2.

<sup>&</sup>lt;sup>30</sup> As previously noted, DC PCSB did not conduct QSR visits at Eagle PCS until SY 2022 – 23. Given that SY 2022 – 23 QSR visits are still underway, DC PCSB is unable to report QSR averages from the current school year. As such, DC PCSB compares Eagle PCS's QSR performance to SY 2021 – 22 QSR averages.

In addition to conducting classroom observations, DC PCSB and The New Teacher Project (TNTP) consultants reviewed sample English language arts (ELA) and math assignments Eagle PCS students received.<sup>31</sup> Evaluators used TNTP's *Assignment Review Protocol* in assessing whether the assignments:1) aligned with grade-appropriate standards, 2) provided students with meaningful practice opportunities, and 3) gave students an opportunity to connect academic standards to real-world issues.<sup>32</sup> Upon review, evaluators rated each assignment as "sufficient," "minimal," or "no opportunity," describing the opportunity students had to meaningfully engage in worthwhile grade-level content.<sup>33</sup>

Of the ten ELA samples Eagle PCS submitted, five assignments received an overall rating of "sufficient." These assignments were based on high-quality, grade-appropriate texts, reached the full depth of the targeted standards, and allowed students to use their personal voice. Two assignments received an overall rating of "minimal." These assignments were based on high-quality, grade-appropriate texts but did not allow students to use their personal voice. Three assignments received an overall rating of "no opportunity." These assignments were only loosely based on a grade-appropriate text and did not reach the depth of the targeted standards.

Of the ten math samples Eagle PCS submitted, six assignments received an overall rating of "sufficient." These assignments reached the full depth of the targeted standards and mathematical practices while also giving students the opportunity to relate math to the real world in a meaningful way. Four assignments received an overall rating of "minimal." These assignments reached the full depth of the targeted standards and mathematical practices; however, they did not allow students to relate math to the real world in a meaningful way.

#### **Previous Charter Review**

#### Five-Year Review

In SY 2008 – 09, DC PCSB conducted a five-year review of Eagle PCS and found the school met the standard for charter continuance.<sup>34</sup> DC PCSB determined the school met all three of its academic targets and met one out of four non-academic performance standards. In February 2009, DC PCSB voted to conditionally continue Eagle PCS's charter.

#### 10-Year Review

<sup>&</sup>lt;sup>31</sup> DC PCSB added the assignment review component to its QSR process in SY 2021 – 22.

<sup>&</sup>lt;sup>32</sup> See the protocol here: <u>https://bit.ly/3PfYLKH</u>.

<sup>&</sup>lt;sup>33</sup> Specifically, assignments that satisfied TNTP's *Assignment Review Protocol* criteria were deemed "sufficient." Assignments that partially satisfied the criteria were deemed "minimal." Assignments that did not satisfy the criteria were deemed "no opportunity."

<sup>&</sup>lt;sup>34</sup> See Eagle PCS's Five-Year Review Report, Appendix H.

In SY 2012 – 13, DC PCSB conducted a 10-year review of Eagle PCS and found the school met the standard for charter continuance.<sup>35</sup> DC PCSB determined the LEA met four out of six charter goals and partially met its literacy and numeracy goals. In June 2013, DC PCSB voted to continue Eagle PCS's charter.

#### 15-Year Renewal

In SY 2017 – 18,<sup>36</sup> DC PCSB conducted a 15-year renewal of Eagle PCS. Ahead of its 15-year renewal, the LEA adopted the PMF as its goals, agreeing to achieve an average PMF score equal to or exceeding 50.0%. DC PCSB determined Eagle PCS - Capitol Riverfront earned an average PMF score of 70.9% and Eagle PCS - Congress Heights had an average PMF score of 60.2%. In December 2017, DC PCSB voted to renew Eagle PCS's charter.

#### **Communication with the School**

In January 2019,<sup>37</sup> DC PCSB Board members and staff met with Eagle PCS board members and staff to discuss the school's academic performance, financial challenges, and community complaints. Eagle PCS - Congress Heights' PMF rating fell from Tier 2 (midperforming) in SY 2016 - 17 to Tier 3 (low-performing) in SY 2017 - 18. Further, while Eagle PCS - Capitol Riverfront's PMF tier did not change, its overall score decreased 13.2 percentage points. The school's enrollment also declined, posing negative implications for Eagle PCS's finances. Finally, DC PCSB had received five community complaints about Eagle PCS - Congress Heights to date that school year, "one of the highest total numbers of complaints in the sector" at the time of the meeting. <sup>38</sup> Eagle PCS explained that the unexpected loss of its founder ahead of SY 2017 – 18 contributed to 16 teacher resignations. Eagle PCS found several of its new teachers were ineffective. As a result, the school let many teachers go, refined its hiring practices, and chose to enroll fewer students in SY 2018 - 19. Eagle PCS also explained its efforts to respond to community complaints through personalized emails. DC PCSB encouraged the school to make its process for addressing complaints transparent for families and community members.

In December 2019,39 DC PCSB Board members and staff met with Eagle PCS board members and staff to acknowledge the school's Tier 1 (high-performing) achievement on the SY 2018 - 19 PMF. The parties also discussed Eagle PCS's facility and enrollment challenges. The school was tasked with identifying a new site after the unexpected sale of one of the facilities it leased. Eagle PCS shared three facility alternatives under consideration. The school reflected on its low re-enrollment rates, noting that it would use a family engagement survey to inform its re-enrollment strategies. DC PCSB asked the

<sup>&</sup>lt;sup>35</sup> See Eagle PCS's 10-year Review Report, Appendix I.

<sup>&</sup>lt;sup>36</sup> See Eagle PCS's 15-year Renewal Report, Appendix J.

<sup>&</sup>lt;sup>37</sup> See Eagle PCS's 2019 Follow-up Letter, Appendix K.

<sup>&</sup>lt;sup>38</sup> Ibid., p. 2.

<sup>&</sup>lt;sup>39</sup> See Eagle PCS's 2019 Follow-up Email, Appendix L.

school to share contingency plans in the event that Eagle PCS did not enroll and retain students as planned.

In June 2022, DC PCSB staff met with Eagle PCS staff to discuss the school's 20-year review. DC PCSB staff provided the school with a chart, similar to the one in Section One of this report, showing the school's charter goals performance during the review period.

#### **CHARTER REVIEW STANDARD**

The SRA stipulates that DC PCSB "shall review [a school's] charter at least once every [five] years."<sup>40</sup> As part of this review, DC PCSB must determine whether:

- The school committed a violation of applicable law, 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; and/or
- 2) The school failed to meet the goals and student academic achievement expectations set forth in its charter.<sup>41</sup>

If DC PCSB determines that a school has committed a violation of applicable law or a material violation of the terms of its charter, or has not met its goals and academic achievement expectations, it may, at its discretion, revoke the school's charter, or grant the school a continuance.<sup>42</sup>

Additionally, there is a fiscal component to the charter review. DC PCSB is required by the SRA to revoke a school's charter if DC PCSB determines in its review that the school: 1) has engaged in a pattern of nonadherence to GAAP, 2) has engaged in a pattern of fiscal mismanagement, and/or 3) is no longer economically viable.<sup>43</sup>

<sup>&</sup>lt;sup>40</sup> D.C. Code § 38-1802.12(a)(3).

<sup>&</sup>lt;sup>41</sup> D.C. Code § 38-1802.13(a).

<sup>&</sup>lt;sup>42</sup> DC PCSB may impose conditions of continuance if it deems such conditions appropriate.

<sup>&</sup>lt;sup>43</sup> D.C. Code § 38-1802.13(b).

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

Per the SRA, DC PCSB must review whether a school has met its charter goals at least once every five years. Charter goals are part of the review analysis only if they were included in a school's charter or charter amendment.

Eagle PCS's 2018 renewal agreement outlines the school's charter goals.<sup>44, 45</sup> The school agreed to the review standard and provision recorded in the chart below. This chart also reports DC PCSB's determination that Eagle PCS met its charter goals.

#### **Charter Goals**

**Review Standard:** At its 20-year charter review, the School Corporation as a whole will be deemed to have met its goals and academic achievement expectations if each individual campus obtains an average PMF score for school years 2017 – 18, 2018 – 19, 2019– 20, 2020 – 21, and 2021 – 22 equal to or exceeding 50.0%.

**Improvement Provision:** In cases where a School has not achieved the above thresholds, the DC PCSB Board may, at its discretion, determine that a School has met its goals and academic achievement expectations if it has demonstrated consistent improvement on overall PMF scores over the course of the most recent five-year period. In exercising its discretion, the DC PCSB Board shall also consider the strength of un-tiered measures.<sup>46</sup>

Campus	Met?
Eagle PCS – Capitol Riverfront	Met
Eagle PCS – Congress Heights	Met

PMF Outcomes						
Campus	2017 – 18	2018 – 19	2019 – 20	2020 – 21	2021 – 22	Average
Eagle PCS – Capitol Riverfront	52.1%	76.8%		64.5%		
Eagle PCS –						
Congress Heights	34.2%	69.7%				52.0%

<u>Determination:</u> Eagle PCS met its charter goals, with both campuses exceeding the targeted PMF average of 50.0%.

<sup>&</sup>lt;sup>44</sup> See Eagle PCS's Renewal Agreement, Appendix A1.

<sup>&</sup>lt;sup>45</sup> For details, see the 2019 – 20 PMF Policy & Technical Guide here: <a href="https://bit.ly/2D2lvqc">https://bit.ly/2D2lvqc</a>.

<sup>&</sup>lt;sup>46</sup> "Un-tiered measures" refers to measures included in the PMF that do not count in the PMF score and resulting tier.

<sup>&</sup>lt;sup>47</sup> DC PCSB ceased collection, aggregation, and publication of SY 2019 – 20 academic data. DC PCSB resumed collection of a limited set of SY 2020 – 21 and SY 2021 – 22 PMF data and did not produce the PMF in either year. Consequently, DC PCSB assesses schools under review in SY 2022 – 23 using data prior to the COVID-19 pandemic. For details, see the *COVID-19 Impact Policy* here: <a href="https://bit.ly/3fy5zDo">https://bit.ly/3fy5zDo</a>.

The remainder of this section contains a description of the PMF and an analysis of Eagle PCS's performance on each PMF category during the review period, excluding school years 2019 – 20, 2020 – 21, and 2021 – 22 per footnote 48. This section ends with a review of supplemental academic data, separate and apart from the school's charter goals.

#### **PMF Overview**

DC PCSB evaluates all public charter schools according to a PMF. There are four separate PMF frameworks; DC PCSB evaluates Eagle PCS under the Early Childhood, Elementary School, and Middle School PMF (PK – 8 PMF). DC PCSB divides the PMF into four categories: student progress, student achievement, gateway, and school environment. Using a 100-point scale, the PMF framework identifies PK – 8 PMF schools as Tier 1 (high-performing), Tier 2 (mid-performing), or Tier 3 (low-performing) based on their overall performance in the four categories. See below for a summary of Eagle PCS's performance in the PMF categories, including charts detailing the school's performance compared to the sector.<sup>48</sup>

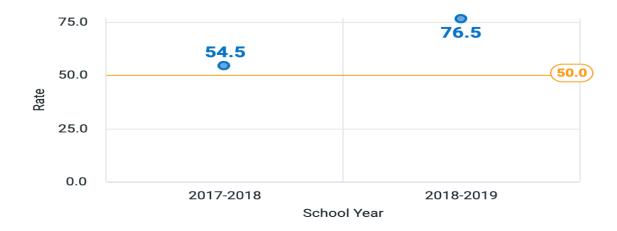
#### **Student Progress**

Student progress is a measure of student growth over the course of a school year. For schools ending in grades K – 3, DC PCSB uses the median of the school's Northwest Evaluation Association (NWEA) Measures of Academic Progress (MAP) student-level conditional growth percentile (CGP) as the growth measure. CGP assesses the relative year-to-year progress individual students made at a school. The median CGP is set by the publisher's norms, based on the student's initial assessment score and grade. A median CGP of 50.0 indicates that a school's students have average year-to-year growth when compared to students nationwide in the same grades and with the same initial assessment performance. The charts below detail the school's CGP performance compared to the standard of 50.

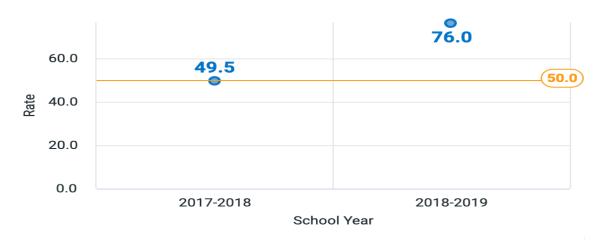
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<sup>&</sup>lt;sup>48</sup> The phrase "compared to the sector" here and throughout this section of the report refers to the average performance achieved by all DC public charter schools evaluated under the corresponding PMF.

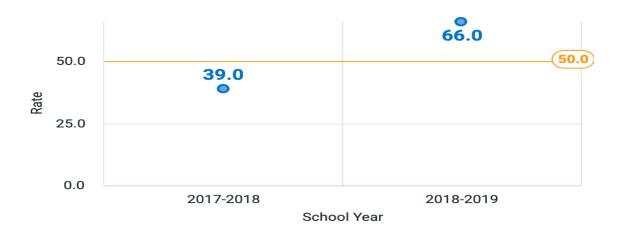
# Eagle PCS - Capitol Riverfront's ELA CGP



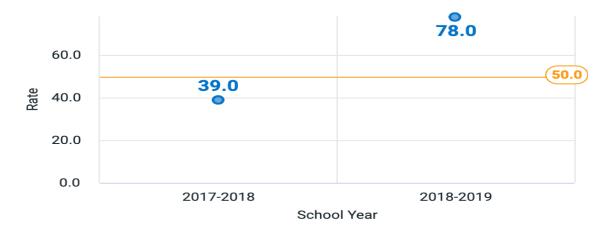
Eagle PCS - Capitol Riverfront's Math CGP



Eagle PCS - Congress Heights' ELA CGP

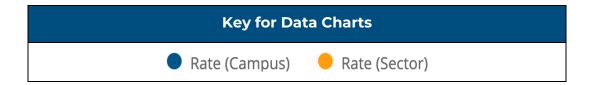


Eagle PCS - Congress Heights' Math CGP

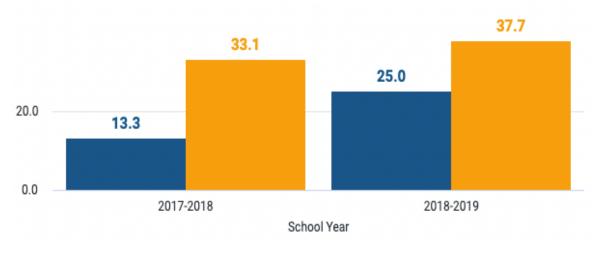


### **Student Achievement**

The student achievement category captures overall student performance on the Partnership for Assessment of Readiness for College and Careers (PARCC) assessment, with level 4+ considered proficient and advanced.<sup>49</sup> This category includes overall performance in both ELA and math as compared to the sector average for students in the same grade band. The charts below detail the school's ELA and math achievement performance compared to the sector.

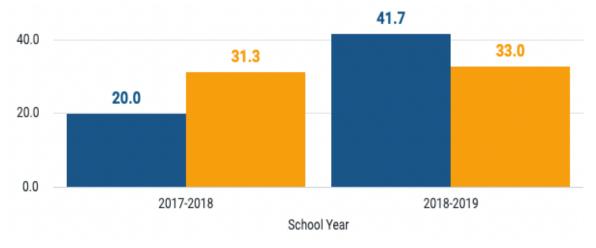


Eagle PCS - Capitol Riverfront's ELA Proficiency (Overall)

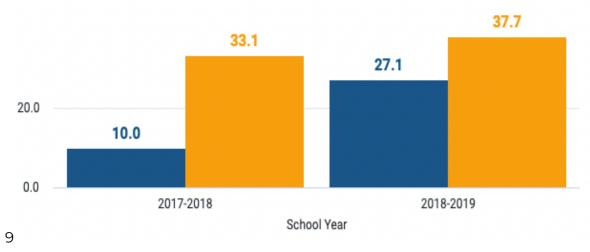


<sup>&</sup>lt;sup>49</sup> The term "4+" refers to level 4 and level 5 PARCC scores. A student who earns a level 4 is considered proficient. A student who earns a level 5 is considered advanced.

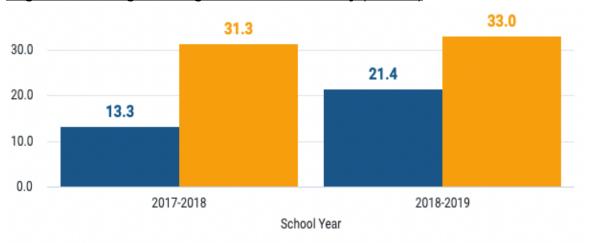
Eagle PCS - Capitol Riverfront's Math Proficiency (Overall)



Eagle PCS - Congress Heights' ELA Proficiency (Overall)



Eagle PCS - Congress Heights' Math Proficiency (Overall)



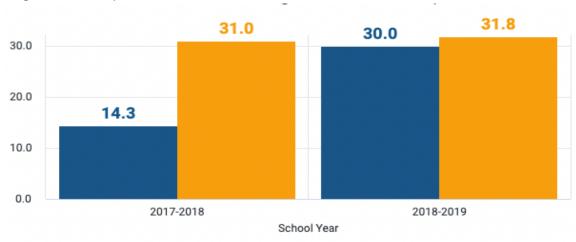
#### **Gateway**

The gateway category includes grade-specific measures that predict students' future academic performance. The PK – 8 PMF gateway measure that applies to Eagle PCS is described below.

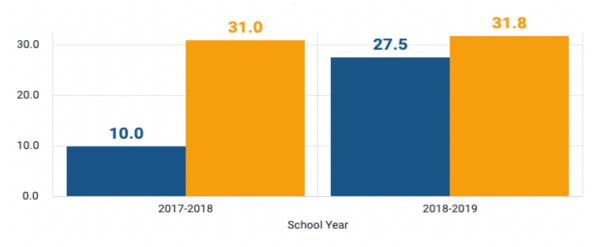
#### 3<sup>rd</sup> Grade ELA

This measure reports the percentage of 3<sup>rd</sup> graders who have attended the LEA for at least two full academic years, who either achieved 4+ scores on the PARCC assessment or earned a 3 or above on the Multi-State Alternate Assessment (MSAA) in ELA. The chart below reports the school's 3<sup>rd</sup> grade ELA performance compared to the sector.

Eagle PCS - Capitol Riverfront's 3rd Grade ELA



Eagle PCS - Congress Heights' 3rd Grade ELA



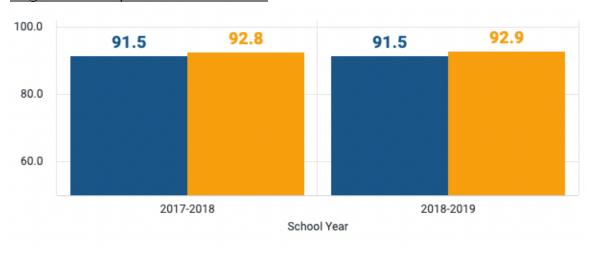
#### **School Environment**

The school environment category includes in-seat attendance (ISA) rates and re-enrollment rates, as well as Classroom Assessment Scoring System (CLASS) scores for schools that

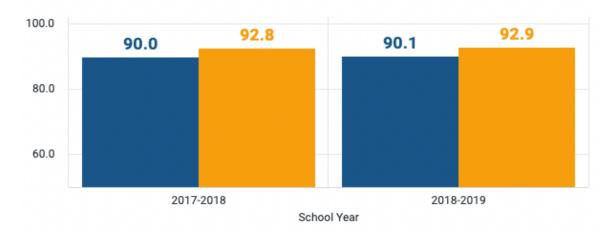
serve PK students. Charts detailing the school's performance on each of these measures can be found below. Though DC PCSB resumed collection of a limited set of SY 2020 – 21 and SY 2021 – 22 data, it did not calculate or publicly report any PMF measures, including ISA, re-enrollment, and CLASS.

<u>ISA</u>
The ISA rate measures the percentage of students who were present each day. The charts below detail the school's ISA performance compared to the sector.

Eagle PCS - Capitol Riverfront's ISA



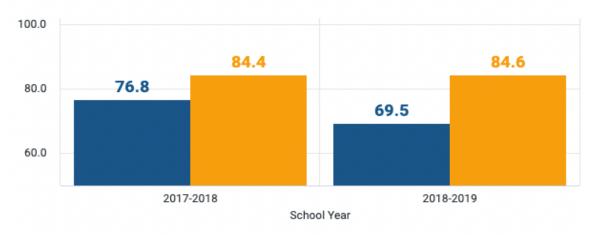
Eagle PCS - Congress Heights' ISA



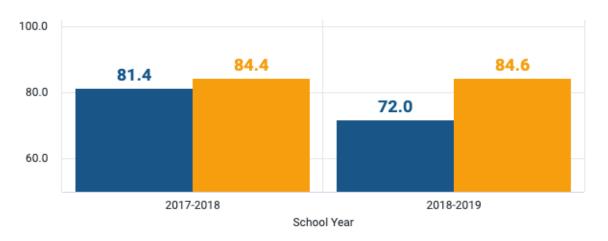
#### Re-enrollment

The re-enrollment rate measures the percentage of eligible students who return to the school the following year.<sup>50</sup> The chart below reports the school's re-enrollment rates compared to the sector.

<u>Eagle PCS – Capitol Riverfront's Re-enrollment</u>



Eagle PCS - Congress Heights' Re-enrollment



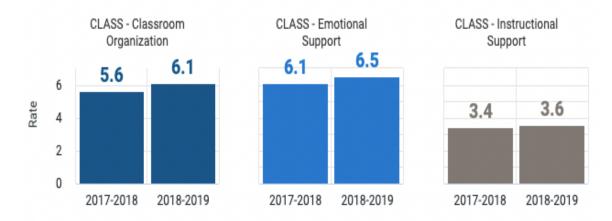
#### **CLASS**

DC PCSB uses CLASS to evaluate PK classrooms.<sup>51</sup> The charts below display the school's performance in CLASS each year. Per the publisher's guidance, a high CLASS score is 6.0 or above.

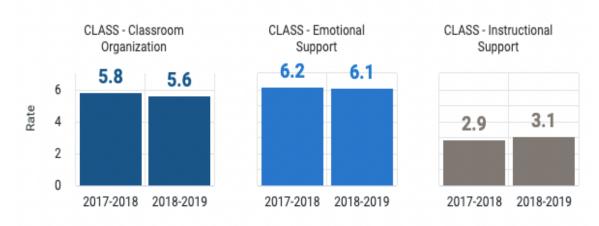
<sup>&</sup>lt;sup>50</sup> For eligibility criteria, see the 2019 - 20 PMF Policy & Technical Guide here: https://bit.ly/3aRYFW2.

<sup>&</sup>lt;sup>51</sup> For reference, the CLASS scores are assigned as follows: low scores are 1 or 2, mid scores are from 3 to 5, and high scores are 6 or 7. For details, please see: <a href="https://bit.lv/3j2d1X4">https://bit.lv/3j2d1X4</a>.

Eagle PCS - Capitol Riverfront's CLASS Scores



<u>Eagle PCS – Congress Heights' CLASS Scores</u>



#### **Early Childhood Assessments**

Each public charter school that serves early childhood grades selects its own DC PCSB-approved assessments to use with PK – 2 students. These measures do not factor into the school's PMF score. Eagle PCS uses GOLD for its PK pre-literacy and math assessments. $^{52}$  The charts below report the school's PK outcomes.

<sup>&</sup>lt;sup>52</sup> For more information on the GOLD assessment please see: https://bit.ly/3VsfuNO.

<u>Eagle PCS – Capitol Riverfront's PK Pre-Literacy and Math</u>
PK Pre-Literacy



PK Math



<u>Eagle PCS – Congress Heights' PK Pre-Literacy and Math</u>
PK Pre-Literacy



PK Math



#### **Additional Academic Data**

#### Student Group Academic Data

The following charts present academic data by student group. Student group academic performance does not individually factor into the school's PMF score, and it does not factor into DC PCSB's charter goals analysis. However, it provides additional context, showing how the school serves different student populations. The charts below show the LEA's academic data by campus in achievement compared to the sector average for that student group. The following charts do not display student group categories that were not part of the LEA's overall student population or that had less than 10 test takers in both SY 2017 – 18 and SY 2018 – 19.

	Key for Student Group Data Charts					
Green	Greater than the charter sector average for the same grade band					
Red or <5.0%	Less than the charter sector average for the same grade band or the data					
Red 01 \5.0%	is suppressed in cases of sensitive and negative rates less than 5.0%.					
Blue	Equal to the charter sector average for the same grade band					
Grey	n < 10; The number of test takers (n-size) is less than 10					

Eagle PCS - Capitol Riverfront's English PARCC (4+) Proficiency Rates by Student Group

School Year	2017 – 18		2018	i – 19
Student Group	School Rate   Sector Rate   S		School Rate	Sector Rate
At-Risk	18.2%	21.8%	n < 10	25.0%
Black or African American	13.3%	28.3%	25.0%	32.6%
Male	9.1%	26.7%	n < 10	30.3%

Eagle PCS - Capitol Riverfront's Math PARCC (4+) Proficiency Rates by Student Group

School Year	2017 – 18		2018	i – 19
Student Group	School Rate   Sector Rate   S		School Rate	Sector Rate
At-Risk	18.2%	21.3%	n < 10	22.6%
Black or African American	20.0%	27.4%	41.7%	28.7%
Male	18.2%	29.6%	n < 10	30.7%

Eagle PCS - Congress Heights' English PARCC (4+) Proficiency Rates by Student Group

School Year	2017 – 18		2018 – 19	
Student Group	School Rate   Sector Rate   9		School Rate	Sector Rate
At-Risk	6.9%	21.8%	21.7%	25.0%
SWD	<5.0%	5.8%	<5.0%	9.0%
Black or African American	10.0%	28.3%	27.1%	32.6%
Female	14.6%	39.2%	35.9%	44.9%
Male	6.1%	26.7%	16.1%	30.3%

Eagle PCS - Congress Heights' Math PARCC (4+) Proficiency Rates by Student Group

School Year	2017 – 18		2018	i – 19
Student Group	School Rate   Sector Rate   S		School Rate	Sector Rate
At-Risk	10.3%	21.3%	21.7%	22.6%
SWD	<5.0%	7.2%	<5.0%	8.9%
Black or African American	13.3%	27.4%	21.4%	28.7%
Female	14.6%	32.9%	25.6%	35.3%
Male	12.2%	29.6%	16.1%	30.7%

#### **Transitional Goals Data**

Per the *COVID-19 Impact Policy*, DC PCSB collected SY 2021 – 22 transitional goals data from all schools to support evaluation during the COVID-19 recovery period.<sup>53</sup> For schools serving K – 8 students, transitional goals data includes results from a school-selected, nationally normed growth assessment. Eagle PCS elected to administer NWEA MAP as its growth assessment. Transitional goals also include standard data collection, to the extent available, of PARCC (4+), achievement on early childhood assessments,<sup>54</sup> ISA, re-enrollment, and CLASS. The charts below show the school's overall and student group performance on each transitional goals measure.

K-3 ELA and Math NWEA MAP Growth by Student Group

Campus	Student Group	2021 – 22 Median Conditional Growth Percentile (CGP) <sup>55</sup>			
		n-size	ELA	Math	
	All Students	56	68.0	76.5	
	At-Risk	32	64.0	68.5	
	SWDs	12	32.5	52.0	
Eagle PCS – Capitol	Black or African American	50	67.5	74.0	
Riverfront	Hispanic/Latino	n < 10	n < 10	n < 10	
	White	n < 10	n < 10	n < 10	
	Other Races	n < 10	n < 10	n < 10	
	Female	18	64.5	62.0	
	Male	38	69.0	80.0	
	All Students	218	33.5	45.0	
	At-Risk	157	32.0	38.0	

<sup>53</sup> See DC PCSB's transitional goals description in the COVID-19 Impact Policy, https://bit.ly/3JCFwIQ.

<sup>&</sup>lt;sup>54</sup> In this context, "early childhood" refers to PK3 and PK4.

<sup>&</sup>lt;sup>55</sup> CGP typically assesses the relative year-to-year progress made by individual students at a school. Each student's CGP is set by the publisher's norms, based on the student's initial assessment score and grade-level. A median CGP of 50 indicates that a school's students have average year-to-year growth when compared to students nationwide in the same grades and with the same initial assessment performance. Due to the COVID-19 pandemic, DC PCSB calculated CGP using students' fall-to-spring scores.

Campus	Student Group	2021 – 22 Median Conditional Growth Percentile (CGP) <sup>55</sup>		
		n-size	ELA	Math
Eagle PCS –	SWDs	40	13.0	30.5
Congress Heights	Black or African American	215	35.0	45.0
	Hispanic/Latino	n < 10	n < 10	n < 10
	Other Races	n < 10	n < 10	n < 10
	Female	98	32.0	42.5
	Male	120	37.0	47.5

# ELA and Math PARCC (4+) Proficiency Rates by Student Group

Campus	Student Group	2021 – 22 Prof	iciency Rates
Campus	Student Group	ELA	Math
	All Students	10.0%	10.0%
	At-Risk	<5.0%	<5.0%
	SWDs	n < 10	n < 10
	Black or African American	10.5%	10.5%
Eagle PCS – Capitol	White	n < 10	n < 10
Riverfront	Female	8.3%	8.3%
	Male	n < 10	n < 10
	All Students	<5.0%	5.5%
	At-Risk	<5.0%	<5.0%
	SWDs	<5.0%	<5.0%
Eagle PCS –	Black or African American	<5.0%	5.5%
	Female	<5.0%	<5.0%
Congress Heights	Male	<5.0%	6.3%

# PK Pre-Literacy and Math GOLD Rates by Student Group

Campus	Student Group	2021 – 22 Rates		
		Pre-Literacy	Math	
	All Students	93.5%	100%	
	At-Risk	92.3%	100%	
	SWDs	n < 10	n < 10	
	Black or African American	93.1%	100%	
Eagle PCS – Capitol	White	n < 10	n < 10	
Riverfront	Female	100%	100%	
	Male	88.2%	100%	
	All Students	82.3%	93.7%	
	At-Risk	84.1%	93.7%	

Campus	Student Group	2021 – 22 Rates		
		Pre-Literacy	Math	
	SWDs	68.8%	81.3%	
	Black or African American	82.1%	93.6%	
Eagle PCS –	Female	90.2%	97.6%	
Congress Heights	Male	73.7%	89.5%	

#### ISA

Campus	2021 – 22 ISA Rate
Eagle PCS – Capitol Riverfront	85.1%
Eagle PCS – Congress Heights	84.3%

#### Re-enrollment

Campus	2021 – 22 Re-enrollment Rate
Eagle PCS – Capitol Riverfront	56.2%
Eagle PCS – Congress Heights	75.2%

# CLASS<sup>56</sup>

	2021 – 22 CLASS Scores				
Campus	Classroom	Emotional	Instructional		
	Organization	Support	Support		
Eagle PCS – Capitol Riverfront	5.2	6.3	3.2		
Eagle PCS – Congress Heights	6.2	6.4	3.5		

 $<sup>^{56}</sup>$  As previously noted, CLASS scores are assigned as follows: low scores are 1 or 2, mid scores are from 3 to 5, and high scores are 6 or 7. For details, please see: <a href="https://bit.ly/3j2d1X4">https://bit.ly/3j2d1X4</a>.

#### SECTION TWO: COMPLIANCE WITH CHARTER AND APPLICABLE LAWS

Per the SRA, when reviewing a charter, DC PCSB must determine whether a school has "committed a 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." The SRA contains a non-exhaustive list of applicable laws, which DC PCSB monitors in its annual compliance reviews. Since SY 2017 – 18, Eagle PCS has been compliant with all applicable laws as captured in DC PCSB's compliance reviews. Set 2017 – 18 and 2018 and 2019 and 2019 are reviews.

DC PCSB also monitors schools' compliance with the procurement requirements in the SRA, and supports OSSE, as the state education agency (SEA), in its monitoring of compliance with special education laws.

The remainder of this section examines the school's compliance in these two areas over the review period.

#### **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. Within three days of awarding such a contract, schools must submit to DC PCSB all bids received, the contractor selected, and the rationale for which the contractor was selected. To ensure compliance with this law, DC PCSB requires schools to report key contract information specifying any qualifying procurement contract that the school has executed.

During fiscal year (FY) 2017, Eagle PCS properly reported 10 procurement contract packages. During FY 2018, the school properly reported 16 procurement contract packages.

In early 2018, DC PCSB developed more robust and comprehensive oversight processes around procurement contracts. As a result, in July 2018, DC PCSB began implementing a new *Procurement Contract Submission and Conflict of Interest Policy*, <sup>59</sup> which tracks the timeliness of procurement contract submissions. Schools, in turn, were expected to adjust their internal processes over time to ensure higher levels of compliance with procurement contract reporting requirements.

During the annual procurement contract reconciliation process, DC PCSB found Eagle PCS properly submitted two procurement contract packages during FY 2019 but did not

<sup>&</sup>lt;sup>57</sup> D.C. Code § 38-1802.12(a)(3).

<sup>&</sup>lt;sup>58</sup> Every winter, DC PCSB produces a Compliance Review Report for each public charter school in its portfolio. The report summarizes a school's year-to-date compliance status; it does not include a conclusive compliance determination. See DC PCSB's Compliance Review Reports here: <a href="https://bit.ly/3ESLUf1">https://bit.ly/3ESLUf1</a>. See Eagle PCS's Compliance Review Reports, Appendices M1 – M5.

<sup>&</sup>lt;sup>59</sup> See the Procurement Contract Submission and Conflict of Interest Policy here: https://bit.ly/2QkQign.

properly report seven procurement contracts. Additionally, the school received three Early Warning Notices for failure to report contracts in a timely manner. After communicating with the school, Eagle PCS properly submitted all relevant documentation.

During FY 2020, Eagle PCS properly reported four procurement contract packages, but it received one Early Warning Notice for failure to report contracts in a timely manner. During FY 2021, the school properly reported 19 procurement contract packages.

Currently, DC PCSB has no major concerns about the LEA's compliance with procurement contract submission requirements. DC PCSB will continue to closely monitor the school's compliance to ensure Eagle PCS reports all procurement contracts. Moreover, DC PCSB recommended the school strengthen its internal bidding and reporting processes to ensure late submission trends do not continue.

#### Special Education Compliance<sup>60</sup>

Charter schools are required to comply with all federal and local special education laws, including the Individuals with Disabilities Education Act (IDEA)<sup>61</sup> and Section 504 of the Rehabilitation Act of 1973.<sup>62</sup> As the SEA, OSSE monitors charter schools' compliance with special education laws and shares detailed findings in seven areas captured in the table below.<sup>63</sup>

Of the seven monitored areas,<sup>64</sup> Eagle PCS was required to take corrective action in two areas during the review period. DC PCSB compared this performance to other charter LEAs in DC and, based on this comparison, determined the school had among the highest instances of identified noncompliance in two areas: Initial Evaluation Timeliness and Reevaluation Timeliness. Further information on OSSE's special education compliance findings is reported in the remainder of this section.

OSSE Special Education Compliance Review Areas	Eagle PCS Compliant All Years of the Review Period	Status of Corrective Action		
1. Annual Determinations	Yes	NA		
2. On-Site Monitoring	Yes	NA		

<sup>&</sup>lt;sup>60</sup> See OSSE's Glossary of Special Education Compliance Terms, Appendix N.

<sup>63</sup> For a description of each review area, see the Special Education Factsheet, Appendix O.

<sup>61 20</sup> U.S.C. §§ 1400 et seq. See 20 U.S.C. § 1413(a)(5).

<sup>&</sup>lt;sup>62</sup> 29 U.S.C. § 794.

<sup>&</sup>lt;sup>64</sup> Schools that enroll students who are 14 years of age or older meet the criteria for Secondary Transition Monitoring and therefore are monitored in eight compliance areas. Schools that enroll only younger students are monitored in seven compliance areas.

OSSE Special Education Compliance Review Areas	Eagle PCS Compliant All Years of the Review Period	Status of Corrective Action
<ul><li>3. IDEA Procedural Timeliness</li><li>Monitoring</li><li>a) Initial Evaluation</li><li>b) Reevaluation</li><li>c) Part C to B Transition</li></ul>	No	Complete
4. Child Find Monitoring	No	In progress
5. Disproportionate Representation and Significant Discrepancy Review	Yes	NA
6. Significant Disproportionality Review	Yes	NA
7. Hearing Officer Determination and State Complaint Implementation Review	Yes	NA

#### 1. Annual Determinations

Each year, OSSE analyzes each LEA's compliance with special education requirements and issues its findings in an Annual Determination report to the LEA. As the table below shows, Eagle PCS received a "Meets Requirements" designation in its 2017 through 2020 Determinations.

Year	Percent Compliant with Audited Special Education Federal Requirements	Determination Level
2017	88.9%	Meets Requirements
2018	93.7%	Meets Requirements
2019	89.5%	Meets Requirements
2020	89.5%	Meets Requirements

#### 2. On-Site Monitoring Report

OSSE conducts on-site monitoring visits at select LEAs to determine whether they are compliant with federal and local laws and regulations (including special education and related service requirements). OSSE has not flagged Eagle PCS for on-site monitoring during the review period.

#### 3. IDEA Procedural Timeliness

OSSE monitors schools in three areas related to the timeliness of creating and maintaining compliant Individualized Education Programs (IEPs) for students: Initial Evaluation, Reevaluation, and Part C to B Transition Timeliness.

#### Initial Fyaluation<sup>65</sup>

An initial evaluation is a process used to assess a student to determine whether a student has a disability and, if so, the nature and extent of the special education and related services the student needs to access general education. OSSE identified Eagle PCS for noncompliance for failure to adhere to the required timeline for initial evaluation during the following periods:

- July 1, 2017 June 30, 2018
- July 1, 2018 December 30, 2018
- January 1, 2019 June 30, 2019
- July 1, 2019 September 30, 2019
- October 1, 2019 December 31, 2019
- January 1, 2020 March 31, 2020
- July 1, 2020 June 30, 2021

For comparison, across the last five years, Eagle PCS performed better than only 3.2% of charter LEAs, receiving a finding in seven reporting periods out of the 10 applicable reporting periods.<sup>66</sup> OSSE confirms the school addressed findings from SY 2017 – 18 through SY 2021 – 22.

#### Reevaluation<sup>67</sup>

A reevaluation is used to determine whether a student with an identified disability still has a disability. Schools must conduct a reevaluation for each student with a disability once every three years. OSSE identified Eagle PCS for noncompliance for not adhering to the required timeline for reevaluation during the following periods:

- April 1, 2017 June 30, 2017
- July 1, 2018 September 30, 2018
- October 1, 2018 March 31, 2019
- April 1, 2019 June 30, 2019
- July 1, 2019 September 30, 2019
- October 1, 2019 December 31, 2019
- January 1, 2020 March 31, 2020
- October 1, 2020 March 31, 2021

<sup>&</sup>lt;sup>65</sup> See Eagle PCS's Initial Evaluation Reports, Appendices P1 – P7.

<sup>&</sup>lt;sup>66</sup> Out of the 10 total reporting periods, the LEA with the highest number of reporting periods with a finding for Initial Evaluation Timeliness had a finding in eight.

<sup>&</sup>lt;sup>67</sup> See Eagle PCS's Reevaluation Reports, Appendices Q1 – Q9.

#### • October 1, 2021 – March 31, 2022

For comparison, across the last five years, Eagle PCS performed better than only 6.8% of charter LEAs, receiving a finding in nine reporting periods out of the 13 applicable reporting periods.<sup>68</sup> OSSE confirms the school addressed its SY 2017 – 18 through SY 2020 – 21 findings.

#### Part C to B Transition Timeliness

Part C to B Transition refers to transitioning children who receive early intervention services in IDEA Part C (birth through age two) to IDEA Part B special education services (age three to 21) by the child's third birthday. OSSE has not flagged Eagle PCS for Part C to B Transition timeliness noncompliance during the review period.

#### 4. Child Find Monitoring Report<sup>69</sup>

Child Find is a set of policies, procedures, and public awareness activities designed to locate, identify, and evaluate students who may require special education and related services. OSSE reviewed and flagged Eagle PCS for Child Find noncompliance in SY 2020 – 21.

In a December 2021 letter, OSSE informed Eagle PCS about the results of its Child Find data review, which concluded the school identified 4.6% of its 3- to 5-year-old students as receiving services under IDEA Part B in SY 2020 – 21. This rate is lower than the expected 8.5% Child Find threshold. OSSE required the school to continue participating in its targeted technical assistance (TTA) focusing on the timely transition of 3- to 5-year-old students.

For comparison, in SY 2020 – 21, of the 26 LEAs monitored, 61% of charter LEAs were required to participate in TTA for 3- to 5-year-old students. OSSE confirms that the school is in progress toward meeting these corrective action steps.

# 5. <u>Disproportionate Representation Review and Significant Discrepancy Review</u> *Disproportionate Representation*

OSSE annually reviews whether LEAs have overidentification or disproportionate representation by race and ethnicity of their identified students with disabilities. In the last five review periods, OSSE determined Eagle PCS does not have disproportionate representation.

## Significant Discrepancy Review

OSSE annually reviews LEAs' rates of suspension and expulsion for students with

<sup>&</sup>lt;sup>68</sup> Out of the 13 total reporting periods, the LEA with the highest number of reporting periods with a finding for Reevaluation Timeliness had a finding in 11.

<sup>&</sup>lt;sup>69</sup> See Eagle PCS's Child Find Focused Monitoring Report, Appendix R.

disabilities as compared to their non-disabled peers. In the last five review periods, OSSE determined that Eagle PCS does not have significant discrepancy.

#### 6. Significant Disproportionality Review

OSSE annually reviews LEAs for significant disproportionality based on race or ethnicity in an LEA with respect to the identification of children as children with disabilities, the identification of children in specific disability categories, the placement of children with disabilities in particular educational settings, or the taking of disciplinary actions. OSSE determined Eagle PCS does not have significant disproportionality during the review period.

#### 7. Hearing Officer Determination (HOD) Implementation Review

Parents of students with disabilities may file complaints with OSSE as it relates to student-specific issues and systemic issues. Student-specific complaints are known as due process complaints, and systemic complaints are known as state complaints. When necessary, OSSE conducts hearings to resolve disagreements identified via parent complaint. OSSE issues a written HOD after each due process hearing, detailing its findings along with any actions the LEA must fulfill. OSSE then oversees the timely implementation of actions required by HODs. No HODs have been issued against Eagle PCS during the review period.

#### 8. State Complaints

Any individual or organization may submit a written complaint that claims that any District of Columbia public agency has failed to comply with a requirement of Part B or Part C of the IDEA or the District's laws and regulations regarding special education. Such laws include the identification, evaluation, educational placement of the child or the provision of a Free and Appropriate Public Education (FAPE) to such child. No state complaints have been filed against Eagle PCS during the review period.

#### SECTION THREE: FISCAL MANAGEMENT AND ECONOMIC VIABILITY<sup>70</sup>

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

- has engaged in a pattern of nonadherence to GAAP;
- has engaged in a pattern of fiscal mismanagement; and/or
- is no longer economically viable.<sup>71</sup>

DC PCSB collectively and holistically assessed the school's financial performance and condition by reviewing:

- the school's audited financial statements for FY 2017 through FY 2021;
- the school's unaudited financial statements for FY 2022;
- the school's annual budgets for FY 2022 and FY 2023; and
- DC PCSB's Financial Analysis Report (FAR) of Eagle PCS for FY 2017 through FY 2021.<sup>72</sup>

#### Summary of Findings<sup>73</sup>

The school has demonstrated adequate fiscal performance during the review period. Its financial audits confirm 1) the school's financial statements comply with GAAP, 2) the school has adequate internal accounting controls, and 3) the school is financially solvent and able to pay its outstanding obligations if the school's charter were to be revoked or not renewed. The school is economically viable and has not engaged in a pattern of fiscal mismanagement.

#### **Strengths and Deficiencies**

- Most of the school's key performance indicators at fiscal year-end (FYE) 2021 were above target. Change in net assets margins remained above the 0% upper target during the five-year period, and primary reserve ratio showed a 0.2 (75%) increase from FYE 2017 to FYE 2021.
- Enrollment has been significantly decreasing since FY 2019. The school will need to focus on increasing its enrollment and focus on cost management, by reducing its fixed costs, if enrollment continues to decrease in future years.
- In December 2021, the school sold its property on Naylor Road SE for \$11.0M, recognizing a \$0.6M gain. With the proceeds from the sale, the school paid off \$7.6M of debt.
- When the funding from DC facilities allowance is not sufficient to cover the facilities costs, schools may utilize funds from other revenue sources to supplement the DC facilities allowance. In the last two fiscal years, the school has significantly increased

<sup>&</sup>lt;sup>70</sup> Each percentage in Section Three of this report has been rounded to the nearest whole percentage.

<sup>&</sup>lt;sup>71</sup> See D.C. Code § 38-1802.13(b).

<sup>&</sup>lt;sup>72</sup> See Eagle PCS's FAR Reports, Appendices S1 – S5.

<sup>&</sup>lt;sup>73</sup> See Financial Definitions and Examples, Appendix T.

its occupancy expenses as a percentage of DC facilities allowance received, from 100% in FY 2020 to 146% in FY 2021 to 265% in FY 2022 (unaudited). This was due to the 37% decrease in enrollment from FY 2020 to FY 2022 and the 73% increase in occupancy expenses over the same two-year period. The write-off of the depreciation related to the building sold in FY 2022 and the amortization on financing costs of the debt paid off in FY 2022, coupled with the rent expense for the new facility at 1900 Half Street, SW explains the increase in occupancy expenses.

• The debt ratio slightly outside the target range is not a concern, as the school has sufficient liquidity to meet its upcoming payments.

Key for Finance Data				
Comparison to FAR Benchmarks	What This Means in the Following Tables			
Within target range	Generally strong financial position			
Outside of target range	Possibly more imminent financial concerns; operations may not be adequately managed, sustainable, and/or economically viable; closer monitoring warranted			

Definitions and examples for each key performance indicator used herein are provided in Appendix T.

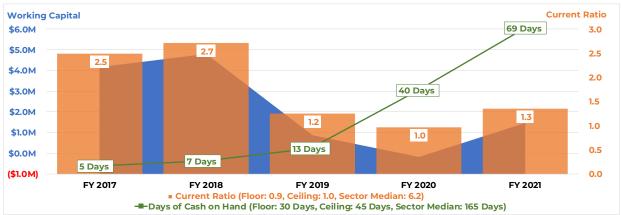
#### **Key Metrics and Comparisons**

#### **Enrollment and Operations**

As shown in the school's Enrollment, Operations, and Working Capital chart in the FY 2021 FAR, <sup>74</sup> in the five-year period from FY 2017 to FY 2021 and in FY 2022 (unaudited), the school's changes in net assets have been consistently positive, with change in net assets margin averaging a healthy 4%, despite the decrease in enrollment that peaked at 935 in FY 2018 and then decreased at an average rate of 13% each year to 527 students enrolled in FY 2022. The 10% FY 2019 and 1% FY 2020 enrollment decreases were planned by the school's leadership to improve its academic results. In FY 2021, the school experienced additional student withdrawals, as the COVID-19 pandemic had negative effects on enrollment, especially in early childhood schools. The reduced FY 2022 enrollment was a result of low cohort sizes. To rebuild its enrollment, the school will need to focus on increasing its enrollment in entry-level grades. Additionally, in the five-year period from FY 2017 to FY 2021, the school increased its financial strength as evidenced by its \$4.2M (67%) increase in net assets from \$6.2M at FYE 2017 to \$10.4M at FYE 2021. Its primary reserve ratio at FYE 2021 was a healthy 0.5 and above the 0.2 target.

<sup>&</sup>lt;sup>74</sup> See the school's Enrollment, Operations, and Working Capital chart in the first page of the school's FY 2021 FAR Report, Appendix S5.

#### Liquidity



Despite the school's days of cash on hand below the 30-days' minimum target from FYE 2017 to FYE 2019, the school increased its days of cash on hand to 69 days at FYE 2021, and further increased it to 92 days at FYE 2022 (unaudited). Additionally, in its FY 2023 budget, the school budgeted further improvements in days of cash on hand to reach 96 days at FYE 2023. The below-target days of cash on hand from FYE 2017 to FYE 2019 were mainly due to escrow accounts associated with the school's notes payable requiring the school to maintain restricted cash between \$4.0M and \$4.4M in the same three-year period. Also, at FYE 2018 and FYE 2019, the school's outstanding line of credit was greater than its unrestricted cash and cash equivalents, representing a potential liquidity concern in case the line of credit was called to be repaid. In FY 2021, the school secured its leased and owned facilities with a mortgage and refinanced its notes payable to provide additional working capital and days of cash on hand.

The school's current ratio at FYE 2017 through FYE 2021 was greater than or equal to the 1.0 target. The 1.0 current ratio at FYE 2020 was not concerning because it was a result of the significant cash flow used for construction in FY 2019 and FY 2020. The FY 2021 refinancing allowed the school to consolidate building loans with one bank and increase its cash reserves, which increased its current ratio to 1.3 at FYE 2021.

#### Facilities and Occupancy

The school's facilities expenses as a percentage of total DC facilities funding recognized from FY 2017 to FY 2021 increased from 95% in FY 2017 to 146% in FY 2021 and 265% in FY 2022 (unaudited), rising above the FY 2021 117% sector median. The school leases the land for Eagle PCS – Congress Heights, but it does not pay rent under this lease. The school financed the Eagle PCS – Congress Heights building construction and improvements through notes payable from DC Revenue Bonds and OSSE, then refinanced in FY 2021 with a 10-year mortgage carrying a lower interest rate. The school also has a lease agreement for the rental of its Eagle PCS – Capitol Riverfront facility that will expire in June 2031. In addition, the school entered into a sublease for its tenant to lease its Naylor Road SE

property from July 2020 through June 2025. Future minimum sublease income under this agreement ranges from \$0.7M in FY 2022 to \$0.9M in FY 2025. In December 2021, the school sold its property on Naylor Road SE for \$11.0M and executed the sublease buyout. The school's unaudited FY 2022 financial statements reported facilities expenses at nearly three times the amount of the school's facilities allowance. These steep increases are mainly due to the 15% and 25% enrollment decreases in FY 2021 and FY 2022, respectively, and increases in occupancy expenses by 28% and 36% in FY 2021 and FY 2022, respectively. In FY 2021, the \$0.8M increase in occupancy expenses from FY 2020 was mainly due to the amortization of deferred financing costs in connection to the notes payable refinancing. In FY 2022, the \$1.3M increase in occupancy expenses from FY 2021 was mainly due to the full depreciation of the Naylor Road SE building sold, the full amortization of the paid off debt, and the rent expense incurred for the new 1900 Half Street SW facility. This is not expected to continue to be a cause for concern, as the FY 2023 budget reflects a \$2.2M, or 47% decrease in occupancy expenses, mainly because depreciation and amortization expenses are expected to decrease after the sale of the building. In FY 2021, the school's occupancy expenses per student was \$4,962, or 22% above the FY 2021 \$4,045 sector median.

#### Sustainability: Net Assets, Primary Reserve Ratio, and Debt Ratio

Fiscal Year	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2021 Target	FY 2021 Sector Median	Multiyear Trend
Net Assets	\$6.2M	\$7.9M	\$8.4M	\$9.8M	\$10.4M	NA	\$6.0M	
Operating Expenses	\$21.1M	\$21.4M	\$22.5M	\$23.1M	\$20.1M	NA	\$10.6M	.II
Primary Reserve Ratio (Higher is better)	0.3	0.4	0.4	0.4	0.5	>= 0.2	0.6	Ceilin
Debt Ratio (Lower is better)	0.8	0.7	0.7	0.7	0.7	<= 0.5	0.4	Ceiling

The school has shown financial sustainability through its consistently above-target primary reserve ratio ranging from 0.3 to 0.5 for the period FYE 2017 through FYE 2021. In the same period, the debt ratio has not decreased below the 0.5 target but remains below the 0.9 target maximum, maintaining a stable 0.7 from FYE 2018 to FYE 2021. This is not concerning given the adequate liquidity measures at FYE 2021 and FYE 2022 discussed above. Also, the school repaid \$7.8M of its debt with the sale of its Naylor Road SE property and decreased its debt ratio to 0.6 at FYE 2022 (unaudited) from cash provided by investing activities. Additionally, in FY 2020 and FY 2021, the school breached reporting covenants with its bank but received waivers in each year. This is not a cause of concern, given the continued strengthening of the school's liquidity.

### **Audit Findings**

The school's independent auditor's reports for FY 2017 to FY 2021 reflected clean opinions, as financial statements presented fairly in all material respects the financial position and results of the school. Additionally, no audit findings on the internal controls over financial reporting were noted in the five-year period from FY 2017 to FY 2021.