

POLICY TITLE	School Reorganization Policy
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PURPOSE

The DC Public Charter School Board (DC PCSB) strives to ensure every DC student receives a quality education. As population forecasts for school-age children decline and city conditions change,¹ DC PCSB must create the policies for thoughtful charter sector planning. This policy for school reorganization offers three pathways to support the sector's sustainability, efficiency, and quality.

Under the School Reform Act (SRA), the assets of a closing local education agency (LEA) or campus may be transferred to another LEA if that LEA agrees to enroll the closing school's students.² Furthermore, the DC Nonprofit Corporation Act allows for the merger of two non-profit corporations, which includes public charter schools.³ Under this policy, the transfer of assets may occur through a merger or an acquisition overseen by DC PCSB.⁴ DC PCSB must approve the merger plan to allow for the transfer of assets, enrollment of new students, revision of bylaws, or any other changes to the existing charter. This policy describes the approval process.

A. Connections to Other DC PCSB Policies

DC PCSB seeks to establish consistent and transparent practices for approving, monitoring, and evaluating schools. As such, the *School Reorganization Policy* connects to several other policies and guidance. First, the *Annual School Performance Index Report and Evaluation Policy and Technical Guide (ASPIRE Tech Guide)* states that DC PCSB will award high-performing schools with eligibility to replicate or expand their programs.⁵ Schools that earn a Level 1 on ASPIRE are generally eligible to grow, whereas schools that earn a Level 2 may be eligible. This *School Reorganization Policy* establishes the limited circumstances under which schools that earn a Level 3 may be eligible for a merger or acquisition. Regardless of level determination, all schools must apply for a merger or acquisition and will be evaluated under this policy.

¹ See the DC Office of Planning's population forecasts here: <http://bit.ly/45qGGXc>.

² DC Code § 38-1802.13a(d)(2)(A)(ii).

³ DC Code §§ 29-409.01 – .08.

⁴ Note that the process by which an LEA merger or acquisition occurs is mechanically the same, resulting in an asset transfer and dissolution of one active charter. However, mergers and acquisitions have distinct purposes that are reflected in this policy.

⁵ See the *ASPIRE Tech Guide* here: <https://bit.ly/3SuF6wQ>. DC PCSB will adhere to this policy and its successors.

Further, the merger and acquisition application deadlines align with the *Charter Agreement Amendment Petition Submission Policy*.⁶ Also, when discussing school reorganization strategies, DC PCSB will use language from the *Definition of School, Campus, and Facility Policy*.⁷

Finally, the *School Reorganization Policy*, the *School Expansion Policy*,⁸ and the Charter Application Guidelines comprise DC PCSB's suite of sector planning policies and guidance.⁹ These items interconnect to provide the framework for responsible sector growth and consolidation. They share elements like guiding principles, a multi-stage review process, and a Standard for Approval.

B. Definitions¹⁰

A **school reorganization** restructures a LEA's program, governance, or operations. Mergers and acquisitions are types of school reorganization strategies.

A **merger** occurs when two independent LEAs, each operating under a separate charter, combine to form one LEA operating under a single charter, with the intent of maintaining some elements of each LEA's program. Under this approach, one LEA retains its charter, while the other voluntarily relinquishes its charter as part of the merger process. The LEA that retains its charter will agree to enroll the students of the LEA relinquishing its charter as part of the merged LEA. The LEA retaining its charter will also need DC PCSB's approval of an amended and restated charter that reflects the "new" LEA created through the merger, which includes an updated mission statement and charter goals as necessary.¹¹

In an **acquisition**, one LEA loses its charter through revocation, non-renewal, or voluntary relinquishment. In some cases, an LEA or DC PCSB may decide to close an individual campus but not the entire LEA. In either case, the LEA or campus's assets are then transferred to another LEA. The acquiring LEA must agree to enroll the closing LEA or campus's students and seek approval from DC PCSB for any charter amendments necessary to effectuate the acquisition, though it may not need to

⁶ See DC PCSB's *Charter Agreement Amendment Petition Submission Policy* here: <https://bit.ly/3MnSDRz>.

⁷ See DC PCSB's *Definition of School, Campus, and Facility Policy* here: <https://bit.ly/3rUbWaq>.

⁸ See DC PCSB's *School Expansion Policy* here: <https://bit.ly/44ehpeP>.

⁹ The Charter Application Guidelines can be found here: bit.ly/4ayOffj.

¹⁰ This policy assumes that two LEAs are party to a merger or acquisition. DC PCSB will consider requests involving more than two LEAs so long as they meet the policy requirements.

¹¹ The amended and restated charter will define the standard for review for determining charter goal attainment. DC PCSB will treat the merger like a new LEA, as described the *ASPIRE Tech Guide*, *Charter Goals Policy*, and their successor policies. For example, a merged LEA may not receive an ASPIRE level in the first year of operation. See the *Charter Goals Policy* here: <https://bit.ly/3QyPovc>.

make other changes, such as to the mission statement or charter goals.¹² If the asset acquisition is limited to a campus, the transferring LEA must also amend its charter to remove authorization for the campus being acquired (e.g., reduce its enrollment ceiling, remove grade authorization, remove facility).

This policy explains the process by which DC PCSB will consider requests for mergers, standard acquisitions, and emergency acquisitions that result in the dissolution of at least one existing LEA nonprofit, closure of one campus, or the transfer of one campus from one LEA to another, **and** the revision of at least one active charter.¹³ Moreover, mergers and acquisitions are complex and can be difficult to execute effectively. This policy intentionally establishes a high bar for approving these requests over alternatives.

C. Guiding Principles

DC PCSB will use the following guiding principles to drive its evaluation of amendment petitions for enrollment ceiling increases (ECI), grade expansions, and replications, as well as applications for mergers and acquisitions.

- **Driving toward excellence.** LEAs must demonstrate a path toward excellence across a comprehensive review of academics, finance, and organizational effectiveness.
- **Need and demand.** LEAs must justify why a campus or program is needed and in demand, contributing to a diverse range of high-quality options.¹⁴
- **Organizational capacity.** LEA and campus leadership must be strong and stable, and their governing boards must demonstrate the capacity to execute the request with fidelity.¹⁵

¹² If the acquisition establishes a new campus or meets other criteria, then DC PCSB will amend the standard for review for determining charter goal attainment in the acquiring LEA's agreement. For example, DC PCSB may not issue an ASPIRE level to eligible schools in the first operating year of the merger or acquisition. DC PCSB will adhere to the *ASPIRE Tech Guide*, the *Charter Goals Policy*, and their successor policies.

¹³ This policy is not comprehensive of all potential school consolidations options. It is designed to address mergers and acquisitions involving LEAs and campuses in their existing configurations. Proposals that extend beyond the current scope of an LEA's approved operations or involve parties outside of DC PCSB's oversight (e.g., DC Public Schools, new charter school applicants) may be subject to other review and approval processes.

¹⁴ In alignment with the National Association for Charter School Authorizers (NACSA), DC PCSB defines need as "students' access to quality schools, including unique/relevant models, strong outcomes, and other programmatic elements a community may seek." Demand is "the intention of a sufficient number of students to enroll so that the school will meet its enrollment targets." See here: <https://bit.ly/3LFgyOJ>.

¹⁵ NACSA defines leadership capacities as the "knowledge, skills, abilities, and behaviors a team needs in order to develop and operate a quality school." NACSA explains how an authorizer can gather and evaluate evidence of these capacities here: <https://bit.ly/4hg5S4j>. DC PCSB may use this guidance or its successors to review proposed mergers and acquisitions.

POLICY

This policy is divided into three pathways, as follows.

- I. **School Merger Policy** describes how two independent LEAs, each operating under a separate charter, combine to form one LEA operating under a single charter.
- II. **Standard School Acquisition Policy** describes how an LEA may acquire another LEA that is not at immediate risk of charter relinquishment, revocation, or nonrenewal.
- III. **Emergency School Acquisition Policy** describes how an LEA may acquire another LEA that is at immediate risk of charter relinquishment, revocation, or nonrenewal. DC PCSB will only consider emergency acquisitions in extreme circumstances, as detailed in this section.

Each section describes that pathway's minimum eligibility criteria and review process. For mergers and standard acquisitions, that process comprises a notice of exploration, letter of intent, written application, public hearing, vote, and planning year. The notice of intent and planning year are not applicable to emergency acquisitions. DC PCSB may hold a capacity interview with the LEAs prior to the public hearing to ask questions about the application and assess their leadership capacities to operate the proposed school.¹⁶

I. School Merger Policy

D. Minimum Eligibility Criteria

LEAs pursuing a merger must meet each of the following criteria based on the most recent data available at the time an application is submitted to DC PCSB:

1. **Performance:** Each LEA must meet performance criteria based on the applicable DC PCSB accountability system for at least two of the previous three school years.¹⁷ For multi-campus LEAs or single-campus LEAs with

¹⁶ In a capacity interview, DC PCSB staff and Board members will pose a series of questions to the school(s) over a 90-minute period. There may be a challenge scenario in which the team must respond to a relevant issue impacting operations. Schools are encouraged to bring staff and board members with the collective expertise to represent the proposed plan.

¹⁷ In the event that DC PCSB does not calculate ASPIRE levels or scores, DC PCSB will evaluate performance data for each measure against state, sector, or publisher rates, where applicable. DC PCSB will publish guidance in these instances.

multiple frameworks, the relevant performance standard must be met by at least two-thirds of individual campuses.

- a. For a merger between LEAs that are evaluated using DC PCSB's ASPIRE System:
- b. LEAs must demonstrate, at a minimum, satisfactory performance by earning at least a Level 3 designation during the time period and including the most recent school year. For a merger of two LEAs that are evaluated using the Alternative Accountability Framework (AAF),
 - i. LEAs must have, at a minimum, substantially met their charter goals.
 - ii. At least one LEA must have fully met its charter goals.
- c. For a merger between an LEA that is evaluated using ASPIRE and an LEA that is evaluated using the AAF:
 - i. If the LEA evaluated using AAF has fully met its charter goals, the LEA evaluated using ASPIRE must have earned at least a Level 3 designation during the time period and including the most recent school year.
 - ii. If the LEA evaluated using the AAF did not fully meet its charter goals, the LEA evaluated using ASPIRE must have earned a Level 1 or 2 designation.

Finance: Neither LEA must currently be under a financial corrective action plan (FCAP) or on the financial monitoring list for economic viability reasons.¹⁸ At least one LEA must meet key financial indicator (KFI) expectations for at least two of the three most recent school years.¹⁹

2. **Charter Review:** Each LEA must have received its most recent charter review or renewal without high-stakes conditions for continuance.²⁰

E. Notice of Exploration

LEAs may submit an optional notice of exploration to DC PCSB to indicate initial interest, facilitate early discussions, and support planning. Submission does not constitute a formal application or commitment.

¹⁸ The financial monitoring list and FCAPs are escalating interventions DC PCSB may take if an LEA shows signs of financial instability. Learn more at <https://bit.ly/4vZZip2>.

¹⁹ Prior to the adoption of a school finance policy, DC PCSB will primarily focus its evaluation on whether the LEA met the targets for the KFIs days of cash on hand, current ratio, and primary reserve ratio for two of the preceding three years, per the applicable *Financial Analysis Report (FAR) Technical Guide*, found here: <https://bit.ly/3QjkWVU>. DC PCSB will establish key financial indicator expectations in future policy. DC PCSB will adhere to this policy and its successors to evaluate financial health.

²⁰ High-stakes conditions are defined as conditions that, if not met, would result in LEA charter revocation, non-renewal, or campus closure.

F. Letter of Intent

Two LEAs that meet the minimum eligibility criteria to pursue a merger must submit a joint letter of intent no later than **February 1** of the school year before the proposed merger's planning year. A letter of intent must be signed by each LEA's school leader and board chair and include at least:

- A clear rationale for how the merger will better meet student and community needs than the two existing LEAs could independently.
- Each LEA identifies any academic, financial, or operational challenges to date; other strategies or efforts it has made to mitigate those challenges; and how the merger will specifically address them. For LEAs evaluated using ASPIRE, they should explain how the merger will improve student outcomes as demonstrated by ASPIRE measure or student group performance.
- Evidence of how the merger is responsive to the need and demand demonstrated by sector planning data and a market analysis.
- An attestation that the LEAs meet the minimum criteria for a merger.
- Evidence that each LEA has sufficient capacity, including financial and administrative capacity, to successfully complete a merger.

DC PCSB staff will confirm that the two LEAs meet the minimum eligibility criteria and review the letter. In consultation with a subcommittee of the Board, staff will determine one of two outcomes within three weeks of receiving the letter.

1. **No Objections to Proceeding:** Two LEAs can proceed with developing a merger application to submit to the DC PCSB board for approval.²¹ DC PCSB reserves its discretion to assess the complete application to determine whether the rationale is sufficiently compelling,²² supported by market analysis, and informed by real-time circumstances in the sector and across the city. As part of this review, DC PCSB may identify areas of concern and will outline key considerations or conditions that must be addressed in the final submission. "No Objections to Proceeding" does not indicate that a merger request will ultimately be approved.
2. **Objections to Proceeding:** After reviewing the letter of intent and the LEAs' past performance, DC PCSB finds that the merger is unlikely to meet the

²¹ For the purposes of the LEA merger, the charter amendment application will serve as the strategic transition plan. The LEA retaining its charter will complete the charter amendment application in collaboration with the merging LEA that will relinquish its charter if the merger is approved.

²² DC PCSB will find a rationale more compelling if it provides continuity for students through clear grade progressions and programmatic access and demonstrates a grounding in research, sound practice, and other reasons demonstrating likely effectiveness. A less compelling rationale would focus primarily on developing economies of scale for the LEAs.

Standard for Approval. Two LEAs can proceed with submitting a merger application to the DC PCSB for approval, but it is not recommended.

G. Standard for Approval

Should merging LEAs (henceforth, “the applicants”) proceed with a formal application, then DC PCSB will evaluate the request against the following Standard for Approval. To be considered for approval, the applicants must meet, at a minimum, the standard “Need and Demand.”

1. **Need and Demand:** The proposed merger improves the applicants’ ability to meet community needs for a relevant model and strong student outcomes. The applicants will likely meet their enrollment targets. To inform the case for demand, the LEA addresses DC PCSB’s most recent demand analysis and provides concrete evidence from families or adult students. Demand data may include, but is not limited to, enrollment trends, re-enrollment or persistence rates, population forecasts, intent-to-enroll forms, and objective market research.
2. **Sufficient Progress in Developing the Plan:** The applicants demonstrate sufficient progress in planning for a high-quality merged LEA. They have engaged families of both LEAs, community members, existing staff, elected officials, and adult students (if an adult LEA) in the planning process. The applicants realistically assess the challenges they have previously faced in operating an LEA as well as future challenges they anticipate in opening and operating the merged school. Their plan clearly describes how they will address these challenges and deliver strong student outcomes. At a minimum, the educational, operational, and financial plans are viable and meet legal requirements. Moreover, the applicants have reached a preliminary asset acquisition agreement that includes an accounting of the 10 largest assets and 10 largest liabilities of the LEA relinquishing its charter, in addition to any assets or liabilities in excess of \$100,000, along with their intended disposition, whether through transfer to the acquiring LEA or other means.
3. **Consistency of Mission:** The proposed school’s mission, vision, and key design elements are consistent throughlines; responsive to the communities the applicant already serves and seeks to serve; and grounded in sound research, proven practice, and/or other reasons demonstrating likely effectiveness.
4. **Inclusiveness:** Each element of the merger is deliberately designed to be inclusive of all students, including students with disabilities, emerging multilingual learners, and economically disadvantaged students. Over time, the applicants have delivered strong outcomes for all students, as evidenced

by student group performance on accountability measures, special education compliance rates, classroom observations, and other monitoring activities. In instances when past performance fell below sector or city rates, the applicants present a detailed improvement plan addressing these concerns.

5. **Leadership Capacity:** The school leaders and boards of the LEAs as well as others transitioning to full-time staff demonstrate the capacities, commitment, and track record to launch and operate the merged LEA. The boards have been actively engaged in the planning process.

H. Application and Evaluation

Applicants must submit a merger application no later than **June 1** of the school year before the proposed merger’s planning year.²³ At least 30 business days before the public hearing, DC PCSB staff will notify impacted Advisory Neighborhood Commissions (ANCs) and open the request for public comment. Prior to the public hearing, DC PCSB may conduct a capacity interview with the applicants to further assess the plan and the leadership team’s ability to execute it. At a public hearing, the public may provide testimony, and the applicants will discuss the request with the Board.

From its review of the written application, capacity interview (if needed), public hearing, and the applicants’ past performance, DC PCSB staff will produce a final evaluation and make a recommendation to the Board, as described below. At a subsequent public meeting, the Board will vote to approve the request, approve with conditions, or deny.²⁴

Recommendation	Evaluation
Approval	The applicants meet each of the standards for approval.
Approval with conditions	The applicants meet, at a minimum, the standard “Need and Demand,” and they miss no more than one additional standard for approval. Factors staff will consider include, but are not limited to: • The severity and scope of the missed standard can be addressed through a condition.

²³ For SY 2025–26, DC PCSB will extend this deadline to August 10, 2026. Approved mergers will be effective at the earliest for SY 2027–28.

²⁴ Applicants can expect the process from application submission to Board vote to last about four months. DC PCSB will adhere to the *ANC Notification Policy* and its successor policies. See the policy here: <https://bit.ly/3LtvTBI>.

Recommendation	Evaluation
	• The applicants' response to resolving the issue(s) shows deep prior knowledge and understanding. • The city can sustain this merger within the context of all other requests received.
Denial	The applicants have not meet, at a minimum, the standard "Need and Demand," or they meet this standard but miss one or more additional standards. After considering the preceding factors, staff determines the missed standard cannot be resolved at this time.

I. After the Board Vote

Applicants approved to merge will have at least one planning year to meet the requirements for opening, including negotiating a revised charter agreement and refining their plans, before the merger takes effect. Conditionally approved LEAs must also address the missed standard, as specified in the charter amendment. Denied applicants may address the identified deficiencies in a future reapplication.

II. Standard School Acquisition Policy

A. Minimum Eligibility Criteria

The LEA or campus being acquired must meet the following criterion:

1. **Charter Standing:** The LEA or campus must not be facing an imminent threat of revocation, non-renewal, or relinquishment. Early warning indicators, such as partially met charter goals or enhanced fiscal monitoring, may suggest areas for improvement but do not constitute an imminent threat. The LEA must be at least one school year out from its next charter review or renewal.²⁵

The LEA seeking to acquire must meet each of the following criteria based on the most recent data available at the time an application is submitted to DC PCSB:

1. **Performance:** The LEA must meet performance criteria based on the applicable DC PCSB accountability system for at least two of the previous three school years.²⁶ For multi-campus LEAs and single-campus LEAs with

²⁵ For example, if an LEA seeking to be acquired is scheduled for its next charter review in SY 2027–28, then it must submit a letter of intent no later than February 1, 2027.

²⁶ See footnote 17.

multiple frameworks, the relevant performance standard must be met by at least two-thirds of individual campuses.

- a. For LEAs evaluated using DC PCSB's ASPIRE System, they must demonstrate exemplary or strong performance by earning a Level 1 or 2 designation.
 - b. For LEAs evaluated using the AAF, they must fully meet their charter goals.
2. **Finance:** The LEA must not currently be under an FCAP or be on the financial monitoring list.²⁷ The LEA must meet KFI expectations for at least two of the three most recent school years.²⁸
3. **Charter Review:** The LEA must have received its most recent charter review or renewal without high-stakes conditions for continuance.²⁹

B. Notice of Exploration

An LEA seeking to acquire another LEA or campus **or** an LEA seeking to be acquired or have one of its campuses be acquired may submit an optional notice of exploration to DC PCSB to indicate initial interest, facilitate early discussions, and support planning. Submission does not constitute a formal application or commitment.

C. Letter of Intent

If two LEAs meet the minimum eligibility criteria to pursue a standard acquisition, then they must submit a joint letter of intent no later than **February 1** of the school year before the proposed acquisition's planning year. A letter of intent must be signed by each LEA's school leader and board chair and include at least:

- A clear rationale for how the acquisition is anticipated to improve stability and student outcomes for those currently enrolled in the LEA or campus that would be acquired.
- Other strategies or efforts the LEA seeking acquisition has considered or made to address any academic, financial, or operational challenges.
- Evidence of how the acquisition is responsive to the need and demand demonstrated by sector planning data and a market analysis.
- An attestation that the LEAs meet the minimum criteria for an acquisition and that the acquiring LEA will assume responsibility for developing the formal

²⁷ See footnote 18.

²⁸ See footnote 19.

²⁹ See footnote 20.

application in collaboration with the LEA and/or campus that would be acquired.

- Evidence that the acquiring LEA has sufficient capacity, including financial and administrative capacity, to successfully complete an LEA or campus acquisition.

DC PCSB staff will confirm the two LEAs meet the minimum eligibility criteria and review the letter. In consultation with a subcommittee of the Board, staff will determine one of two outcomes within three weeks of receiving the letter.

1. **No Objections to Proceeding:** The acquiring LEA can proceed with developing a standard acquisition application to submit for approval.³⁰ DC PCSB reserves its discretion to assess whether the rationale is sufficiently compelling, supported by market analysis, and informed by real-time circumstances in the sector and across the city.³¹ As part of this review, DC PCSB may identify areas of concern and will outline key considerations or conditions that must be addressed in the final submission. “No Objections to Proceeding” does not indicate that an acquisition request will ultimately be approved.
2. **Objections to Proceeding:** After reviewing the letter of intent and the acquiring LEA’s past performance, DC PCSB finds that the acquisition is unlikely to meet the Standard for Approval. The acquiring LEA may proceed with developing a standard acquisition application to DC PCSB for approval, but it is not recommended.

D. Standard for Approval

Should an acquiring LEA (henceforth, “the applicant”) proceed with a formal application, then DC PCSB will evaluate the request against the following Standard for Approval. To be considered for approval, the applicant must meet, at a minimum, the standard “Need and Demand.”

1. **Need and Demand:** The proposed acquisition improves the applicant’s ability to meet community needs for a relevant model and strong student outcomes. The applicant will likely meet its enrollment targets. To inform the case for demand, the LEA addresses DC PCSB’s most recent demand analysis and provides concrete evidence from families or adult students. Demand data may include, but are not limited to, enrollment trends, re-enrollment or persistence

³⁰ For the purposes of the standard acquisition, the application will serve as the draft transition plan. The acquiring LEA will complete the application, in collaboration with the LEA or campus that is being acquired.

³¹ See footnote 22. In addition, a compelling reason may include addressing a leadership transition, responding to early warning indicators, or creating new programming for students.

rates, population forecasts, intent-to-enroll forms, and objective market research.

2. **Sufficient Progress in Developing the Plan:** The applicant demonstrates sufficient progress in planning for a high-quality acquisition. It has engaged families of the acquired LEA or campus, community members, existing staff, elected officials, and adult students (if an adult LEA) in the planning process. The applicant realistically assesses the challenges it will face in opening and operating the acquired school, and it clearly describes how it will address those challenges. At a minimum, the educational, operational, and financial plans are viable and meet legal requirements. Moreover, the applicant has reached a preliminary asset acquisition agreement that includes an accounting of the 10 largest assets and 10 largest liabilities of the LEA relinquishing its charter, in addition to any assets or liabilities in excess of \$100,000, along with their intended disposition, whether through transfer to the acquiring LEA or other means.
3. **Consistency of Mission:** The applicant's mission, vision, and key design elements are consistent throughlines in the proposed acquisition; responsive to the communities the applicant seeks to serve; and grounded in sound research, proven practice, and/or other reasons demonstrating likely effectiveness. If the mission, vision, and key design elements differ from those of the LEA or campus that would be acquired, then the applicant explains how it will support students, families, and staff in that transition.
4. **Inclusiveness:** Each element of the acquisition is deliberately designed to be inclusive of all students, including students with disabilities, emerging multilingual learners, and economically disadvantaged students. Over time, the LEA has delivered strong outcomes for all students, as evidenced by student group performance on accountability measures, special education compliance rates, classroom observations, and other monitoring activities. In instances when past performance fell below sector or city rates, the applicants present a detailed improvement plan addressing these concerns.
5. **Leadership Capacity:** The school leaders and board as well as others transitioning to full-time staff demonstrate the capacities, commitment, and track record to execute a successful transition. There is stability at the LEA and campus leadership levels. The board has been actively engaged in the planning process.

E. Application and Evaluation

Applicants must submit a standard acquisition application no later than **June 1** of the school year before the proposed acquisition's planning year.³² At least 30 business days before the public hearing, DC PCSB staff will notify impacted Advisory Neighborhood Commissions (ANCs) and open the request for public comment. Prior to the public hearing, DC PCSB may conduct a capacity interview with the applicant to further assess the plan and the leadership team's ability to execute it. At a public hearing, the public may provide testimony, and the applicant will discuss the request with the Board.

From its review of the written application, capacity interview (if needed), public hearing, and the applicant's past performance, DC PCSB staff will produce a final evaluation and make a recommendation to the Board, as described below. At a subsequent public meeting, the Board will vote to approve the request, approve with conditions, or deny.³³

Recommendation	Evaluation
Approval	The applicant meets each of the standards for approval.
Approval with conditions	The applicant meets, at a minimum, the standard "Need and Demand," and it misses no more than one additional standard for approval. Factors staff will consider include, but are not limited to: • The severity and scope of the missed standard can be addressed through a condition. • The applicant's response to resolving the issue(s) shows deep prior knowledge and understanding. • The city can sustain this acquisition within the context of all other requests received.
Denial	The applicant has not met, at a minimum, the standard "Need and Demand," or it meets this standard but misses one or more additional standards. After considering the preceding factors, staff determines the missed standard cannot be resolved at this time.

³² For SY 2025–26, DC PCSB will extend this deadline to August 10, 2026. Approved acquisitions will be effective at the earliest for SY 2027–28.

³³ See footnote 24.

F. After the Board Vote

Approved standard acquisition applicants will have at least one planning year to meet the requirements for opening, including finalizing asset acquisition agreements and transition plans, before the acquisition takes effect. Conditionally approved LEAs must also address the missed standard, as specified in the charter amendment.

III. Emergency School Acquisition Policy

A. Minimum Eligibility Criteria

The LEA or campus being acquired must meet one of the following criteria:

1. **Charter Standing:** The LEA is facing an imminent threat of charter revocation, charter non-renewal, or campus closure. Urgent intervention is required to ensure support for students. DC PCSB will notify at-risk LEAs no later than December of the school year of the charter review or renewal.³⁴
2. **Closure Decision:** The LEA's board has voted to relinquish its charter; the LEA has failed to meet required high-stakes conditions and must close effective at the end of the school year; or, DC PCSB has voted to revoke the LEA's charter, not renew the LEA's charter, or close a campus. Urgent intervention is required to ensure support for students.

The LEA seeking to acquire must meet each of the following criteria based on the most recent data available at the time an application is submitted to DC PCSB:

1. **Performance:** The LEA must meet performance criteria based on the applicable DC PCSB accountability system for at least two of the previous three school years.³⁵ For multi-campus LEAs and single-campus LEAs with multiple frameworks, the relevant performance standard must be met by at least two-thirds of individual campuses.
 - a. For LEAs evaluated using DC PCSB's ASPIRE System, they must demonstrate exemplary or strong performance by earning a Level 1 or 2 designation.
 - b. For LEAs evaluated using the AAF, they must fully meet their charter goals.

³⁴ This notice relates to DC PCSB's standard charter review and renewal cycle. However, serious issues that may ultimately lead to charter revocation or non-renewal may arise at any time.

³⁵ See footnote 17.

2. **Finance:** The LEA must not currently be under a FCAP or be on the financial monitoring list.³⁶ The LEA must meet KFI expectations for at least two of the three most recent school years.³⁷
3. **Charter Review:** The LEA must have received its most recent charter review or renewal without high-stakes conditions for continuance.³⁸

B. Letter of Intent

If an LEA seeking to be acquired through an emergency acquisition meets the minimum eligibility criteria, then it must submit a letter of intent **within two weeks** of: 1) receiving its review or renewal report from DC PCSB, 2) voting to relinquish its charter, or 3) the occurrence of other emergency circumstances that will result in closure. A letter of intent must be signed by the LEA's school leader and board chair and include at least:

- A clear rationale for why an emergency acquisition would better serve the school community over closure. Address how the acquisition is expected to create stability and improve student outcomes for those currently enrolled in the LEA or campus that would be acquired.
- Any prior strategies or efforts the LEA seeking acquisition has made to address any academic, financial, or operational challenges.
- Evidence of how the acquisition is responsive to the need and demand demonstrated by sector planning data and a market analysis.
- An intended approach to securing a partnering LEA to acquire the LEA or campus.

DC PCSB staff will confirm that the LEA seeking to be acquired meets the minimum eligibility criteria and review the letter. In consultation with a subcommittee of the Board, staff will determine one of two outcomes within three weeks of receiving the letter.

1. **No Objections to Proceeding:** The LEA can proceed with plans to secure an acquiring LEA partner, which will then be responsible for submitting the application to the DC PCSB Board for approval.³⁹ Given the time sensitivity, DC PCSB sets a higher bar for proceeding with an emergency acquisition than a standard acquisition. DC PCSB reserves its discretion to assess whether the

³⁶ See footnote 18.

³⁷ See footnote 19.

³⁸ See footnote 20.

³⁹ For the purposes of the emergency acquisition, the application will serve as the strategic transition plan. The acquiring LEA will complete the application, in collaboration with the LEA and/or campus that is being acquired.

rationale is sufficiently compelling,⁴⁰ supported by market analysis, and informed by real-time circumstances in the sector and across the city. As part of this review, DC PCSB may identify areas of concern and will outline key considerations or conditions that must be addressed in the final submission. Given the timing of an emergency acquisition, “No Objections to Proceeding” does not indicate that an acquisition request will ultimately be approved.

2. **Objections to Proceeding:** After reviewing the letter of intent and the LEA’s past performance, DC PCSB finds that the acquisition is unlikely to meet the Standard for Approval. The LEA can proceed with plans to secure an acquiring LEA partner, which may then submit an application to DC PCSB for approval, but it is not recommended. DC PCSB recommends that the LEA phase out operations and prepare for closure.

C. Standard for Approval

Should an acquiring LEA (henceforth, “the applicant”) proceed with a formal application, then DC PCSB will evaluate the request against the following Standard for Approval. To be considered for approval, the applicant must meet, at a minimum, the standard “Need and Demand.”

1. **Need and Demand:** The proposed acquisition improves the applicant’s ability to meet community needs for a relevant model and strong student outcomes. The applicant will likely meet its enrollment targets. To inform the case for demand, the LEA addresses DC PCSB’s most recent demand analysis and provides concrete evidence from families or adult students. Demand data may include, but are not limited to, enrollment trends, re-enrollment or persistence rates, population forecasts, intent-to-enroll forms, and objective market research.
2. **Sufficient Progress in Developing the Plan:** The applicant demonstrates sufficient progress in planning for a high-quality acquisition. It has engaged families of the acquired LEA or campus, community members, existing staff, elected officials, and adult students (if an adult LEA) in the planning process. The applicant realistically assesses the challenges it will face in opening and operating the acquired school, and it clearly describes how it will address those challenges. At a minimum, the educational, operational, and financial plans are viable and meet legal requirements. Moreover, the applicant has reached a preliminary asset acquisition agreement that includes an accounting of the 10 largest assets and 10 largest liabilities of the LEA

⁴⁰ See footnote 22. In addition, DC PCSB will find a rationale more compelling if it demonstrates that the to-be-acquired LEA’s model is unique, in demand, and responsive to a student population with highly specific needs.

relinquishing its charter, in addition to any assets or liabilities in excess of \$100,000, along with their intended disposition, whether through transfer to the acquiring LEA or other means.

3. **Consistency of Mission:** The applicant's mission, vision, and key design elements are consistent throughlines in the proposed acquisition; responsive to the communities the applicant seeks to serve; and grounded in sound research, proven practice, and/or other reasons demonstrating likely effectiveness. The applicant has a track record of success implementing the model of the closing school. If parts of the mission, vision, and design elements differ from those of the LEA or campus that would be acquired, then the applicant explains how it will support students, families, and staff in that transition.
4. **Inclusiveness:** Each element of the acquisition is deliberately designed to be inclusive of all students, including students with disabilities, emerging multilingual learners, and economically disadvantaged students. Over time, the LEA has consistently delivered strong outcomes for all students, particularly those who reflect the demographics of the closing school. DC PCSB will consider student group performance on accountability measures, special education compliance rates, classroom observations, and other monitoring activities.
5. **Leadership Capacity:** The school leaders and board as well as others transitioning to full-time staff demonstrate the capacities, commitment, and track record to execute a successful transition. There is stability at the LEA and campus leadership levels. The board has been actively engaged in the planning process. In the case of an emergency acquisition, DC PCSB will give preference to LEAs with previous acquisition experience.

D. Application and Evaluation

Applicants must submit an emergency acquisition application no later than three months following DC PCSB's response to the letter of intent.

In addition to the application, the applicant should separately submit an attestation that:

- The acquiring LEA meets the minimum criteria for an acquisition.
- The acquiring LEA will assume responsibility for developing the formal application in collaboration with the LEA and/or campus that would be acquired.

- The acquiring LEA has sufficient capacity, including financial and administrative capacity, to successfully complete an LEA or campus acquisition.

Upon receipt, DC PCSB staff will notify impacted Advisory Neighborhood Commissions (ANCs) and open the request for public comment.⁴¹ Prior to the public hearing, DC PCSB may conduct a capacity interview to further assess the plan and the team's ability to execute it. At a public hearing, the public may provide testimony, and the applicant will discuss the request with the Board.

From its review of the written application, capacity interview (if needed), public hearing, and the applicant's past performance, DC PCSB staff will produce a final evaluation and make a recommendation to the Board, as described below. Please note that DC PCSB staff will more explicitly consider sector sustainability in its evaluation. At a subsequent public meeting, the Board will vote to approve the request or deny.⁴²

Recommendation	Evaluation
Approval	The application meets each of the standards for approval. The sector can sustain this application within the context of all requests received for new schools, enrollment ceiling increases, grade expansions, and replications.
Denial	The applicant misses one or more standards for approval. After considering the preceding factors, staff determines the missed standard(s) cannot be resolved at this time, or Using the most recently available data, staff determine that the sector does not have a need for the acquisition.

E. After the Board Vote

Unlike a merger or standard acquisition, an approved emergency acquisition will not have a planning year before the acquisition takes effect. Still, DC PCSB staff will require a finalized asset acquisition agreement and transition plan. Because of the time-sensitivity of an emergency acquisition, there will not be an opportunity for a future reapplication.

⁴¹ If DC PCSB is unable to provide 30-business days of notice, DC PCSB shall explain the emergency to the ANC, in accordance with its *ANC Notification Policy*.

⁴² The timeline described in footnote 18 may be shortened so that the vote will occur prior to the start of the upcoming school year.

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