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HANNA SKANDERA
SECRETARY OF EDUCATION

SUSANA MARTINEZ
GOVERNOR

December 5, 2014

Dear Public Education Commissioners:

Enclosed is the Final Recommendation for the ACE Leadership High School 2014 renewal application. Charter Schools Division (CSD) staff at the Public Education Department analyzed the renewal applications, reviewed past performance of the school, conducted site visits and gave full consideration to the information gathered in this process.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew Pahl".

Matthew Pahl
Interim Director
Charter Schools Division

I. Recommendation

APPROVE

APPROVE WITH CONDITIONS

The Charter School Division recommends a 5 year term of renewal with conditions, to be determined through an improvement plan, for ACE Leadership High School. Data presented by the school indicate continued low proficiency scores in reading and math. The school shows a significant decline in reading and math scores from 2013 to 2014. CSD acknowledges data presented by the school indicating ACE students have shown progress in math and reading scores. The governance and administration of the school are stable and the school is financially sound and the school has an active and positive presence in the community.

PROPOSED CONDITIONS

The Applicant will negotiate a contract with the Public Education Commission pursuant to 22-8B-9.1: to include:

1. A shortened contract term of two or three years
2. Completion of an improvement plan specific to the school
3. Two annual monitoring visits by CSD

DENY

Overall the application is either incomplete or inadequate; or during their Capacity Interview, the applicant(s) did not sufficiently demonstrate the experience, knowledge, and competence to successfully open and operate a charter school.

The Charter Schools Act, in paragraph 1 of Subsection L of Section 22-8B-6 NMSA 1978, states that a chartering authority may approve, approve with conditions or deny an application. A chartering authority may deny an application if:

- (1) the application is incomplete or inadequate;
- (2) the application does not propose to offer an educational program consistent with the requirements and purposes of the Charter Schools Act;
- (3) the proposed head administrator or other administrative or fiscal staff was involved with another charter school whose charter was denied or revoked for fiscal management or the proposed head administrator or other administrative or fiscal staff was discharged from a public school for fiscal mismanagement;
- (4) for a proposed state-chartered charter school, it does not request to have the governing body of the charter school designated as a board of finance or the governing body does not qualify as a board of finance; or
- (5) the application is otherwise contrary to the best interests of the charter school's projected students, the local community or the school district in whose geographic boundaries the charter school applies to operate.

CHARTER SCHOOLS DIVISION

By: 
Matthew Pahl, Interim Director of Charter Schools Division, or Designee

CSD Summary and Final Recommendation

The school was initially granted a charter by the PEC in December 16, 2009. ACE Leadership High School maintains strong connections to industry partners and features a project based approach to learning by applying course work directly to industry standards. "The Mission of ACE Leadership High School is to equip young people who love to design and build things to become leaders in the construction profession. We will serve young people who have limited means to have successful careers by caring for their intellectual, physical, and emotional well-being as students."

CSD recommends a 5 year term of renewal with conditions, to be determined through an improvement plan, for ACE Leadership High School. Data presented by the school indicate continued low proficiency scores in reading and math. The school shows a significant decline in reading and math scores from 2013 to 2014. CSD acknowledges data presented by the school indicating ACE students have shown progress in math and reading scores. The governance and administration of the school are stable and the school is financially sound and the school has an active and positive presence in the community.

In the three years of school grading the school received a final grade of D in 2012. In 2013 the final grade was B. In 2014 the final grade was D, maintaining a three year average of C. Student Proficiency in reading score shows 7.7% of students scored proficient and advanced in 2012. In 2013, 10.8% of students scored proficient and advanced. In 2014, 5.1% of students scored proficient and advanced. The reading proficiency scores have remained very low across the three years and dropped lower in 2014. The math proficiency score for all students in 2012 was 6.9% scoring proficient and advanced. In 2013 the score was $\leq 2\%$ proficient and advanced. In 2014 the score was again $\leq 2\%$ proficient and advanced.

Growth of the highest performing students (Q3) were F in 2012 with a score of .9, well below the state average of 8.8. In 2012, the school received an A with a score of 9.6 which was 33.83 points higher than the state average of 5.8. In 2014, the school received an A again with a score of 9.93, 6.33 points above the state average of 3.6. The school is to be commended for the scores of their highest performing students. The lowest performing students (Q1) received a B in 2012 with a score of 9.3, 2 points above the state average of 7.3. In 2013 they again received a B with a score of 8.97, 1.27 points above the state average of 7.7. In 2014 they received a grade of C with a score of 8.15, .45 of a point above the state average of 7.7.

The school's current standing remained an F all three years. School growth went from an F in 2012 to an A in 2013 and back to an F in 2014. Because ACE is a SAMS school, the state weighed the scores both with and without the graduation and college/career readiness scores. The graduation and college/career readiness grades were not reported by the PED this year. In the previous two years the graduation grade was an A. The State Report Card ranks ACE compared to similar schools. In 2012 the school's composite rank was 30th out of 30. In 2013, the composite rank was 34th out of 34. In 2014, the composite rank was 31st out of 33 schools. CSD finds these rankings to be of concern. The closest high school for which ACE students would potentially be eligible would be Albuquerque high School. By way of comparison, in 2014, 45.8% of all ABQHS students scored proficient and advanced in reading and 38.8% scored proficient or advanced in math, significantly higher than students at ACE. Scoring 5.1% and $\leq 2\%$ respectively.

In the school's analysis of its 7 goals in Part B of the application, data provided by the school indicated 6

of the 7 goals were not met. In some cases data were not tracked or were unavailable as called out in the original goal. In the Looking Forward Section (Part C) the school provided goals in its response to CSD. The original submission included the Governing Board strategic plan which addresses areas of post high school success, the school's reputation in the trades, workforce development, facilities and friend/fundraising. The goals proposed in the school's response may provide groundwork for negotiations if the school is renewed.

ACE Leadership High School demonstrates compliance with applicable laws, rules, and regulations relating to financial management and oversight expectations as evidenced by an audit devoid of significant findings and conditions, material weaknesses, or significant internal control weaknesses. The school has no material violations and it appears that the school operates efficiently in terms of Governance procedures, its reporting duties, and organizational stability. The end of year cash balance for FY 2013 was 2.68% of the operational budget.

Regarding Organization, the school has met all provisions of law. The Governing Board and administration remain stable as does the teaching staff. New positions have been added recently to augment needed areas. The school has made connections through partnerships in the trades and they will move into a new purpose built facility around the first of the year.

CSD recommends a 5 year term of renewal with conditions for ACE Leadership High School. The school has a history of very low student proficiency scores in both reading and math over the past three years of tracked data and a current Standing grade of F for all three years of the state report card. However, the school's growth and overall average grade of a C warrants a 5 year term.