

AGENDA ITEM EXECUTIVE SUMMARY

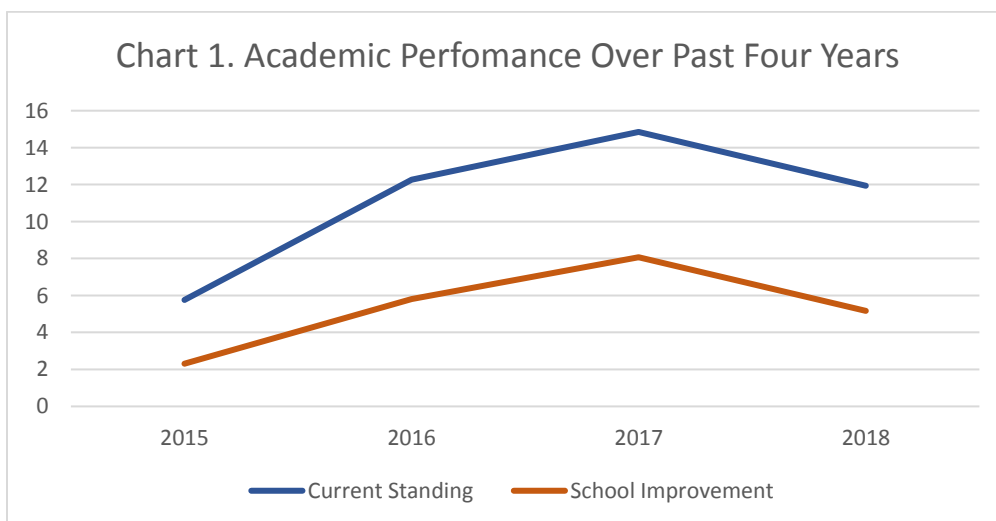
- I. **Public Education Commission Meeting Date:** March 22, 2019
- II. **Item Title:** School of Dreams Academy: Amendment Request- Serving Additional Grade Levels
- III. **Executive Summary:** Discussion and Possible Action on Charter School Amendment, School of Dreams Academy

Request

- School of Dreams Academy requests to add grades 5-6 to its authorized grade levels.
- The school currently serves grades K-4 and 7-12.

School's Rationale for Request

The reason for the request, from School of Dreams Academy, to add 5th and 6th grades is “so we can complete our elementary school. The PEC has allowed us two phase-in elementary grades and programs over the past two years. Currently we offer up to fourth grade and these additional grades will allow us to move forward into our new charter contract with a complete 3Y, 4Y, K-12 charter school with a focus on STEAM education, vocational training, and Early College High School. Thank you for your consideration.”

Academic Performance

Performance Framework Status for 2018-2019

SODA 2018-19 Preliminary Site Visit Concerns Identified

Student Next Step Plans – {REPEATED CONCERN}

- The school's NSP template or processes do not include all requirements of 22-13-1.1 § NMSA. Of the NSPs reviewed, most did not include coursework needed to meet graduation requirements, personal or post-secondary goals, or signatures of student, parent, and school. Non-compliance with the school's NSPs were noted in 2016-17, 2017-18, and current year.

English Language Learners Rights – {REPEATED CONCERN}

- The school has not established consistent processes for identifying, serving, or exiting ELL students that align with Federal requirements. Specifically, the school could not locate at least half of the new Kindergarten class LUS(s). The school has continued to include the LUS in its registration packet for students to complete, in which the school was advised to stop that practice the previous site visit. The school is not providing ELD supports for its ELL students. Nor providing the annual notification letter for parents with ELL student(s). The school has been provided many resources to support its ELL students, yet fails to develop consistent and compliant processes.

CPO-

- The school did not have a certified CPO.

Personnel Files- {REPEATED CONCERN}

- Majority of the personnel files reviewed did not contain official transcripts, for T&E purposes. One teacher's contract reflected her pay based on a Level 2 license, in which she currently held a Level 1 license. This is a repeated compliance from the previous academic year that the school failed to correct. Licensed staff (several) lacking evidence of Reporting Child Abuse and Neglect. Licensed staff member lacking background check. Lacking a policy for clearing background checks for non-licensed school personnel.

Performance Framework Chart for 2016-2017 and 2017-2018

School of Dreams Academy (SODA)		2016-2017	2017-2018
Category I. Academic Performance Framework			
I-A.00	NM A-F School Grading System	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
I-A.01	Required Academic Performance Indicators	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
I-A.02	Optional Supplemental Indicators (school specific items in charter)	Not Applicable	Not Applicable
Category II. Financial Performance Framework			
II-A.00-06	Operating Budget/Audits/Periodic Reports/Expenditures/Reimbursements/Audit Reviews/Meals	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
Category III. Organizational Performance Framework			
III-A.00	Educational Plan: material terms of the approved charter application	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
III-A.01	Education Plan: applicable education requirements	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
III-A.02	Education Plan: protecting the rights of all students	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
III-A.03	Educational Plan: protecting the rights of students with special needs (IDEA, 504, gifted)	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
III-A.04	Educational Plan: protecting the rights of English Language Learners (Title III)	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
III-A.05	Educational Plan: complying with the compulsory attendance laws	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
III-A.06	Educational Plan: meet their recurrent enrollment goals	Meets (or Exceeds) Standard	Working to Meet Standard
IV-A.00	Business Management & Oversight: meeting financial reporting and compliance requirements	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
IV-A.01	Business Management & Oversight: following generally accepted accounting principles	Meets (or Exceeds) Standard	Falls Far Below (or Does Not Meet) Standard
V-A.00	Governance and Reporting: complying with governance requirements	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
V-A.01	Governance and Reporting: holding management accountable	Falls Far Below (or Does Not Meet) Standard	Working to Meet Standard
VI-A.00	Employees: meeting teacher and other staff credentialing requirements	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
VI-A.01	Employees: respecting employee rights	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
VI-A.02	Employees: completing required background checks	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
VII-A.00	School Environment: complying with facilities requirements	Meets (or Exceeds) Standard	Working to Meet Standard
VII-A.01	School Environment: complying with health and safety requirements	Falls Far Below (or Does Not Meet) Standard	Working to Meet Standard
VII-A.02	School Environment: handling information appropriately	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard

Performance Framework Details (Items underlined and in bold were repeated findings)

- 2017-2018
 - School **not meeting instructional hours** and several concerns with **Next Step Plans**
 - **No McKinney Vento Program Implemented** and no McKinney Vento Dispute Resolution Policy
 - English Learner: The PED team observed eleven (11) student files, six (6) of which were identified by the school as English Learners. Of the six, three (EM, CG, and CC) did not have an HLS/LUS on file. One student (EM) had a HLS that indicated English only, yet was listed as EL. None of the student files, including those in lower grades, contained W-APT or screener scores. Two of the six files did not contain parent notification letters. The PED team advised the school that parent notification letters must be sent annually (Title I requirement). Four of the six files did not contain WIDA ACCESS Scores
 - Recurrent enrollment for the year was 73.5%
 - **No evidence submitted showing evidence of the implementation of actions taken to address audit findings plus two repeat findings.**
 - Material Weaknesses in 2017 Audit Report and no submission of collaborating documentation for this finding or for other findings of non-compliance.
 - **No evidence of head administrator evaluation for 2016-2017 at time of site visit.**
 - Requested follow up regarding one teacher's possible contract and salary discrepancy nor implementation for a mentorship program that meets requirements.
 - School did not conduct all required emergency drills in previous year.

- 2016-2017
 - Material term not implemented as specified in the contract/performance framework
 - Not meeting instructional hours
 - No evidence of an RTI/Next Step Plan. McKinney Vento related concerns
 - Lack of evidence in completing/closing special education corrective action plan
 - Inclusion of home language survey in registration packets.
 - School did not create a 5-day absence letter requesting a meeting/conference with parents.
 - No evidence that remedies have been instituted to move toward compliance regarding audit findings.
 - Instructors teaching a course without the requisite license or endorsement and lack of documentation that novice teachers were being provided mentorship
 - School did not submit the 2016-2017 evaluation of the head administrator
 - One staff file did not contain a PED background check and did not provide evidence of addressing such a concern.
 - Lack of evidence that staff have received training on reporting child abuse and neglect.

Audit Findings:

- 2018
 - 2018-001 Purchasing (Previously #2015-001) **(Significant Deficiency) (Repeat Finding)**
 - Including: purchase orders not provided or prepared and approved after the purchase; improper coding of disbursements, \$395.10 of incurred late fees due to failed timely payments of invoices
 - 2018-002 Fuel Card and Vehicle Logs (Other Noncompliance)
 - 2018-003 Internal Controls over Cash Receipts (Previously #2017-004) (Other Noncompliance) **(Repeat Finding)**
 - 2018-004 Personnel Files (Other Noncompliance)
 - 1 personnel file contained falsified information from what was entered into the financial payroll system.
 - 2018-005 Internal Controls over Capital Assets (School and Foundation) **(Material Weakness)**
 - 2018-006 Over-Expended Budget (Previously #2015-002) (Other Noncompliance) **(Repeat Finding)**
 - 2018-007 Financial Close and Reporting (School and Foundation) (Previously #2017-001) **(Material Weakness)(Repeat Finding)**
 - 2018-008 Financial Reporting and Accounting of Liabilities (School and Foundation) **(Material Weakness)**
 - Foundation did not disclose a potential claim/litigation with the land developer with which the Foundation previously entered into an agreement.
 - During a conversation with School management on November 15, 2018, it was determined that the School had not paid the May and June land lease payments to the Village of Los Lunas in the amount of approximately \$48,000. Per inquiry of the Village on November 15, 2018, the School has yet to make this payment, and is not current on the FY19 lease payments.
 - A contractor has a claim against the Foundation in the amount of approximately \$894,439 (including accrued interest) related to a construction contract in which draws submitted by the contractor to the Foundation from 2016 remain unpaid. Audit evidence that indicated the Foundation had \$51,627 in unpaid attorney fees as of June 30, 2018 and another \$6,351 in unbilled services.
 - 2018-009 Internal Control over Disbursements (Foundation) (Previously #2017-001) **(Significant Deficiency) (Repeat Finding)**
- 2017
 - 2015-001 Control Over Cash Disbursements (Other Matter) **(Repeated and Modified)**
 - 2015-002 Expenditures Exceed Budget (Other Matters) **(Repeated and Modified)**
 - 2017-001 Financial Close and Reporting (Material Weakness)
 - 2017-002 PED Cash Report (Non-compliance and Other Matters)
 - 2017-003 Payroll and Personnel Files (Compliance)
 - 2017-004 Timely Deposits (Compliance)
 - 2017-005 ERB Contributions (Compliance)
 - 2017-006 Travel and Per Diem (Compliance)
 - 2017-007 Journal Entries (Non-compliance and Other Matters)
 - 2017-008 Bank Reconciliations (Non-compliance and other Matters)
- 2016
 - 2015-001 CONTROLS OVER CASH DISBURSEMENTS (Other Matter)
 - 2015-002 EXPENDITURES EXCEED BUDGET (Other Matter)

Additional Analysis on the Amendment Request

While School of Dreams is eligible to add additional grades due to not receiving a letter grade lower than a “C”, the school did see a drop in all but one category for the 2018 School Grading Report Card. The overall grade change was from a B (73.93) in 2017, to a C (61.81) in 2018. Current Standing and School Improvement both dropped from a B to a C. Improvement of Higher-Performing Students went from an A to a B grade. The sharpest drop occurred within the Improvement of Lowest-Performing Students category where the grade went from a C (7.08) to an F (3.78). The school did see growth in College and Career Readiness moving from a B to an A.

The school’s rationale for the requested amendment to “complete our elementary school” makes sense from a parent and student perspective. At this point, the school serves all K-12 grades, aside from the two in this request. If this amendment request is not granted, students who enroll in the school prior to these two grade levels will have to go to another school for two years, then go through the lottery process again should they choose to return for 7th grade. As the school noted, “the PEC has allowed us two phase-in elementary grades and programs over the past two years.” However, during the last request the school attempted to add grades 4, 5, and 6, but was only approved by the PEC to add grade 4.

The school continues to have issues in regards to meeting the needs of all students and keeping adequate staff files. For the past three years, the CSD has identified issues regarding Next Step Plans. In fact, the issues identified during the 2018-2019 were the same concerns identified the previous year. Proper identification of English Language Learners has also been a concern for the past three years. The school continues to not maintain complete staff files despite three years of findings and guidance from the CSD. The staff file issues may be due to the school having inconsistency in its business manager position.

The most recent audit (released this month) indicates that the school continues to have financial management concerns, including five repeat findings, with three of those being significant deficiencies or material weaknesses (as noted above).

IV. Additional Document: See Appendix 6B.1 SODA Additional Grades Appendix