


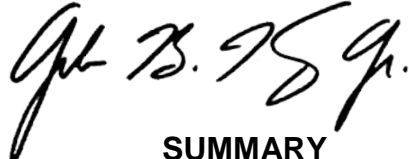


TO: P-12 Education Committee

FROM: Ken Slentz 

SUBJECT: Revision to Charter Authorized by the Board of Regents:
Harlem Success Academy Charter School and Merger of
Harlem Success Academy Charter School into Harlem
Success Academy Charter School 3

DATE: September 4, 2012

AUTHORIZATION(S): 
SUMMARY

Issue for Decision

Should the Regents approve the proposed revision to the charter for Harlem Success Academy Charter School, for purposes of merging the School into the Harlem Success Academy Charter School 3?

Reason(s) for Consideration

Required by state statute.

Proposed Handling

This issue will be before the P-12 Education Committee for action at the September 2012 meeting of the Board of Regents.

Procedural History

The Board of Regents chartered Harlem Success Academy Charter School, which was the first charter school managed by Success Academy Charter Schools, Inc. (the "Network" - formerly Success Charter Network, Inc.) in 2006. The school opened for instruction in the 2007-2008 school year. The Regents renewed the charter for this school in 2010. Subsequent to the authorization of Harlem Success Academy Charter School, the Network has grown to manage an additional seventeen (17) charter schools

in New York City; all of which are authorized by the Board of Trustees of the State University of New York (SUNY). At the start of the 2012-2013 school year, twelve (12) Success Academy Charter Schools are open for instruction in Manhattan, Brooklyn and the Bronx.

Background Information

The SUNY Trustees have approved revisions to the charters of four of the Success charter schools that it authorizes, (Harlem Success Academy Charter School 2, Harlem Success Academy Charter School 3, Harlem Success Academy Charter School 4 and Harlem Success Academy Charter School 5), for purposes of merging the four schools under one corporate governance structure; with the Board of Trustees of Harlem Success Academy Charter School 3 as the surviving education corporation which will govern all of the merged schools. In addition, the SUNY Board of Trustees approved a revision to the charter for the Harlem Success Academy Charter School 3 to give the Harlem Success Academy 3 Board of Trustees the authority to govern and operate the six new Success schools that were approved by the SUNY Board of Trustees in June 2012. These two actions by the SUNY Board of Trustees give the Board of Trustees of the Harlem Success Academy 3 Charter School the authority to govern and operate ten (10) of the Success schools authorized by the SUNY Board of Trustees.

The Board of Trustees of the one Success school authorized by the Board of Regents, the Harlem Success Academy Charter School, has requested that the Regents approve a revision to its charter for purposes of merging the School into Harlem Success Academy 3. This revision and merger, if approved by the Regents, would terminate the separate corporate existence of Harlem Success Academy Charter School, transfer governance of the school to Harlem Success Academy Charter School 3 as the surviving corporation, and transfer the school's charter and oversight of the school from the Board of Regents to the SUNY Board of Trustees. The charter revision also includes a change of name of the school from "Harlem Success Academy Charter School" to "Success Academy Charter School - Harlem 1."

Multiple school operation is common among high-performing charter school networks in many parts of the country. The May 2010 amendments to the New York State Charter School Act eliminated language that prohibited education corporations in New York from operating more than one charter school, and now allows charter schools and the families they serve to realize the many potential benefits of governance and operational consolidation. The potential benefits for charter school merger include: stronger and more transparent governance; encouragement of replication of quality schools; and, similar to the benefits of school district consolidation, shared resources/economies of scale that will support better services and programs for students.

The merger of existing charter school governing boards requires revisions to each of the charters of the merging schools, which must be approved by the respective chartering entity or entities involved. This means that, in situations where schools that wish to merge have different chartering entities ("cross-entity merger"), the approval of all parties--the boards of trustees of the schools and each chartering entity--is required before any such cross-entity merger is effective. Therefore, as part of its approval of the merger of the schools that it authorizes, the SUNY Board of Trustees also provided that the inclusion in the merger of the Regents-authorized school, Harlem Success Academy Charter School, is contingent upon the approval of the Board of Regents.

Recommendation

VOTED: That the Board of Regents finds that the proposed revised charter: (1) meets the requirements set out in Article 56 of the Education Law, and all other applicable laws, rules and regulations; (2) will operate in an educationally and fiscally sound manner; (3) is likely to improve student learning and achievement and materially further the purposes set out in subdivision two of section twenty-eight hundred fifty of Article 56 of the Education Law; and (4) will have a significant educational benefit to the students expected to attend the charter school, and the Board of Regents therefore approves the charter revision for Harlem Success Academy Charter School for purposes of merging the School's education corporation and governing board into Harlem Success Academy Charter School 3, including a change of name to "Success Academy Charter School - Harlem 1," and it is further

VOTED: that the merger of Harlem Success Academy Charter School into Harlem Success Academy Charter School 3, with Harlem Success Academy Charter School 3 as the surviving education corporation, is approved.

Timetable for Implementation

The merger of the Success schools authorized by the SUNY Board of Trustees will become effective on September 6, 2012. If the Regents approve the revision of the Harlem Success Academy Charter School's charter at the September 10-11, 2012, meeting of the Board of Regents, the merger will become effective immediately upon the vote of the Regents and that school will merge into the Harlem Success Academy Charter School 3.