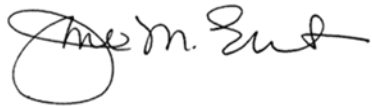





THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

**TO:** P-12 Education Committee

**FROM:** Jhone M. Ebert 

**SUBJECT:** Charter Schools: Merger Revision to Charters  
Authorized by the Chancellor of the New York  
City Department of Education (NYCDOE)

**DATE:** March 18, 2016

**AUTHORIZATION(S):** 

#### **SUMMARY**

#### **Issue for Decision**

Should the Board of Regents approve the merger of Brooklyn Ascend Charter School, Brownsville Ascend Charter School, and Bushwick Ascend Charter School (education corporations authorized by the Chancellor of the NYCDOE) with and into Canarsie Ascend Charter School (an Education Corporation authorized by the SUNY Board of Trustees), with Canarsie Ascend Charter School as the surviving education corporation under the amended name "Ascend Charter Schools"?

#### **Reason(s) for Consideration**

Required by New York State law.

#### **Proposed Handling**

This issue will come before the P-12 Education Committee and the Full Board for action at the March 2016 Regents meeting.

#### **Procedural History**

The May 2010 amendments to Education Law §2853(1)(b-1) 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 merger.

## **Background Information**

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 merger may occur.

I forward the merger recommendations for the following charter schools, as proposed by the Chancellor of the NYCDOE in her capacity as a charter school authorizer under Article 56 of the Education Law.

### **ASCEND CHARTER SCHOOLS MERGER**

The merger would have the following effect:

Brooklyn Ascend Charter School (NYCDOE),  
Brownsville Ascend Charter School (NYCDOE), and  
Bushwick Ascend Charter School (NYCDOE),

will merge into

Canarsie Ascend Charter School (SUNY)

under the amended name “Ascend Charter Schools,” which will also consist of

Central Brooklyn Ascend Charter School (SUNY).<sup>1</sup>

This action would also terminate the separate existence of Brooklyn Ascend Charter School, Brownsville Ascend Charter School, Bushwick Ascend Charter School, and Canarsie Ascend Charter School as separate education corporations, bringing three education corporations (Brooklyn Ascend Charter School, Brownsville Ascend Charter School, and Bushwick Ascend Charter School) under the authorization of the SUNY Board of Trustees, and authorize Canarsie Ascend Charter School under the amended name “Ascend Charter Schools” to operate four charter schools in the Ascend portfolio.

The NYCDOE has provided a summary for each school currently authorized by the Chancellor of the NYCDOE, as set forth below.

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<sup>1</sup> The merger of Central Brooklyn Ascend Charter School (SUNY) into Canarsie Ascend Charter School (SUNY) under the amended name “Ascend Charter Schools” was approved by the SUNY Trustees on February 25, 2016 and notice was sent to the Board of Regents on March 14, 2016. The merger will be approved by operation of law on June 13, 2016, at which time Ascend Charter Schools will be authorized to operate all five charter schools in the Ascend portfolio.

**Brooklyn Ascend Charter School**

Board Chair(s)	Stephanie Mauterstock
Charter Management Organization (if applicable)	Ascend Learning
Other Partner(s)	N/A
District(s) of Location	NYC Community School Districts 18 (Grades K-4), 17 (Grades 5-8), 23 (Grade 9)
Physical Address(es)	205 Rockaway Parkway, Brooklyn, NY 11212 (K-4) 123 East 98th Street, Brooklyn, NY 11212 (5-8) 1501 Pitkin Avenue, Brooklyn, NY 11212 (9)
Facility Owner(s)	Private
Enrollment <sup>2</sup>	1173
Grades Served	K-9
School Opened For Instruction	2008-2009
Current Charter Term	July 1, 2013 to June 30, 2018
Current Authorized Grade Span	K-11
Current Authorized Enrollment	1,365
<b>Revision Requested</b>	<b>To merge Brooklyn Ascend Charter School (NYCDOE), Brownsville Charter School (NYCDOE), and Bushwick Ascend Charter School (NYCDOE) into Canarsie Ascend Charter School (SUNY) under the amended name Ascend Charter Schools.</b>
Revision Recommendation	Approve
Timetable for Revision Implementation	The Regents action for Brooklyn Ascend Charter School would take effect July 1, 2016.

<sup>2</sup> According to ATS data as of October 14, 2015.

Brooklyn Ascend Charter School (Brooklyn Ascend) was first authorized by the Chancellor of the NYCDOE as a charter school for the 2007-08 school year. Brooklyn Ascend is a K-9 school authorized to serve grades K-12 located in NYC Community School Districts 18 (grades K-4), 17 (grades 5-8), and 23 (grade 9) in Brooklyn. The School is in private space and is not co-located with any other education programs.<sup>3</sup> The School is in the second charter term and was issued a full term renewal of five years in the 2012-2013 school year. The School is currently serving 1173 students in Grades K-9 in the 2015-16 school year. The School is operating below its authorized scale, which is 1365 students.

Brooklyn Ascend received a full term renewal in the 2012-2013 school year. At the time of renewal, the School demonstrated academic achievement and progress.

Over the course of the charter term, Brooklyn Ascend performed above the average of the primary CSD of location in ELA and math NYS assessments.

The revision sought will not impact student enrollment.

Brooklyn Ascend submitted the following rationale for the merger in their Letter of Intent:

A merger of Brooklyn Ascend Charter School, Brownsville Ascend Charter School, Bushwick Ascend Charter School, Central Brooklyn Ascend Charter School, and Canarsie Ascend Charter School would benefit the schools' communities, with scholars in a position to gain the most. The merger would allow for a more efficient use of resources to the ultimate benefit of scholars. For example, under a single education corporation, Ascend schools would be able to achieve economies of scale in the purchase of curricular materials and supplies uniformly used by all schools. Monies saved would be redirected toward hiring additional instructional staff to support scholars.

Merging would also allow the schools to share certain staff, thereby expanding the types of programming that can be offered to scholars. For example, if an individual school's needs do not justify the hiring of a full-time speech therapist, but in aggregate a need exists across the schools, then a speech therapist could be hired to serve all the schools in the education corporation. Further, Ascend's schools would be better positioned to create a joint summer school program, develop more robust tutoring and extracurricular enrichment programs, and collaborate more effectively in providing services for English language learners and students with disabilities.

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<sup>3</sup> According to the NYC DOE Location Code Generation and Management System.

Staff are also in a position to benefit from the merger. The newly formed education corporation would be able to achieve economies of scale in providing professional development opportunities. A single education corporation would be able to secure better group rates for conferences or trainers. In addition, the unified education corporation would be able to secure better rates on health care and other employee benefits.

The schools' communities would also benefit from the merger. The newly formed board would be able to examine issues across school communities and address them rapidly. For example, if there were an increasing trend of parent complaints or issues of a similar nature across schools, then a single board could analyze the underlying causes and recommend policy solutions to apply across the schools. A single education corporation would also be better able to direct resources to ensure that the schools are better recognized and involved in their local communities.

Another benefit to merging education corporations would be an increase in the board's capacity to govern its schools through the streamlining and simplification of governance structures and processes. Currently, separate agendas and board packages are assembled, and separate minutes prepared and posted, for each of the five separate boards. Under the new structure, a unified board would oversee all the schools, with one master agenda, board package, and minutes. As such, board members would more readily be able to identify particular challenges and areas of excellence common to the schools, and would be able - using that information - to effectively allocate resources among the schools so that best practices are deployed across all the schools.

Under a merged education corporation, the schools' operations and finances would be improved. As explained above, Ascend schools would be able to achieve greater economies of scale in purchasing curricula, materials, and services. The five schools would undergo one audit process annually and submit consolidated compliance reports, which would free up operations and finance staff. Further, the unified education corporation - with its stronger balance sheet - would likely have more ready access to favorable financing and be able to negotiate lower interest rates, and potentially better lease terms, thereby allowing more funds to be dedicated to the classroom.

## Overall Proficiency

	ELA					Mathematics				
	Brooklyn Ascend CS	CSD	Variance to CSD <sup>4</sup>	NYC	Variance to NYC	Brooklyn Ascend CS	CSD	Variance to CSD	NYC	Variance to NYC
<b>2013-2014</b>	29%	21%	+8%	28%	+1%	26%	23%	+3%	36%	-10%
<b>2014-2015:</b>	29%	23%	+6%	30%	-1%	28%	23%	+5%	35%	-7%

## Enrollment

	2013-2014					2014-2015				
	Brooklyn Ascend	CSD	Variance to CSD	NYC	Variance to NYC	Brooklyn Ascend	CSD 17	Variance to CSD	NYC	Variance to NYC
Economically Disadvantaged	85%	84%	+1%	80%	+5%	82%	82%	0%	78%	+4%
Limited English Proficient <sup>5</sup>	1%	5%	-4%	13%	-12%	1%	5%	-4%	13%	-12%
Students with Disabilities <sup>6</sup>	10%	17%	-7%	19%	-9%	11%	16%	-5%	18%	-7%

### **Strategy for Enrolling Special Populations**

#### **Lottery:**

The application deadline for schools in the Ascend network is April 1st at 11:59 pm. The lottery is held on April 14th. The lottery is conducted electronically using a random number generator. An independent auditor is present during the lottery.

To recruit English language learners specifically, the School will do the following:

- Ensure all materials are produced in English and Spanish

<sup>4</sup> Variance is defined as the percentage point difference of subgroup enrollment between the charter school and district of location.

<sup>5</sup> Includes ELL students exited from a program within the last three years of the reporting period.

<sup>6</sup> Includes SWD students exited from a program within the last three years of the reporting period.

- Ensure brochures and website indicate the English language learner services that Ascend provides
- Ensure that translators are available at application and enrollment events
- Use the NYC Charter School Center online application as our online form, which provides an application in six languages (English, French, Spanish, Haitian Creole, Arabic and Chinese)
- Conduct extensive outreach to recent immigrant groups serving families in CSDs 18, 23, and 32
- Place advertisements in local media (especially those targeting Spanish and Haitian Creole)

To recruit special education students, the School will do the following:

- Ensure brochures and website indicate the special education services that Ascend provides, including our CTT classes
- Target pre-schools that serve large special education populations, by using the list developed by Dr. Arthur Sadoff of the NYC Charter School Center
- Target pre-schools which are head start programs, since they are required to have a certain percentage of special education students
- Attend events sponsored by Resources for Children with Special Needs

**Brownsville Ascend Charter School**

Board Chair(s)	Stephanie Mauterstock
Charter Management Organization (if applicable)	Ascend Learning
Other Partner(s)	N/A
District(s) of Location	NYC Community School District 23
Physical Address(es)	1501 Pitkin Avenue, Brooklyn, NY 11212
Facility Owner(s)	Private
Enrollment <sup>7</sup>	906
Grades Served	K-7
School Opened For Instruction	2009-2010
Current Charter Term	January 13, 2014 to June 30, 2017
Current Authorized Grade Span	K-8
Current Authorized Enrollment	1,040
<b>Revision Requested</b>	<b>To merge Brooklyn Ascend Charter School (NYCDOE), Brownsville Charter School (NYCDOE), and Bushwick Ascend Charter School (NYCDOE) into Canarsie Ascend Charter School (SUNY) under the amended name Ascend Charter Schools.</b>
Revision Recommendation	Approve
Timetable for Revision Implementation	The Regents action for Brownsville Ascend Charter School would take effect July 1, 2016.

<sup>7</sup> According to ATS data as of October 14, 2015



Brownsville Ascend Charter School (Brownsville Ascend) was first authorized by the Chancellor of the NYCDOE as a charter school for the 2008-09 school year. Brownsville Ascend is a K-7 school authorized to serve grades K-8 located in NYC Community School District 23 in Brooklyn. The School is in a private space and is not co-located with any other education programs.<sup>8</sup> The School is in the second charter term and was issued a short term renewal of 3.5 years in December 2013. The School is currently serving 906 students in Grades K-7 in the 2015-16 school year. The School is operating below its authorized enrollment, which is 1040 students<sup>9</sup>.

Brownsville Ascend received a short term renewal in December 2013. At the time of renewal, the School partially demonstrated academic achievement and progress. Over the course of the charter term, Brownsville Ascend performed above the average of the CSD of location in ELA math NYS assessments. The revision sought would not impact student enrollment.

### Overall Proficiency

	ELA					Mathematics				
	Browns ville Ascend	CSD 23	Variance to CSD 23 <sup>10</sup>	NYC	Variance to NYC	Browns ville Ascend	CSD 23	Variance to CSD 23	NYC	Variance to NYC
<b>2014-2015:</b>	23%	12%	+11%	30%	-7%	34%	15%	+19%	39%	-5%

### Enrollment

	2014-2015				
	Brownsville Ascend	CSD 23	Variance to CSD 23	NYC	Variance to NYC
Economically Disadvantaged	58%	88%	-30%	78%	-20%
Limited English Proficient <sup>11</sup>	1%	4%	-3%	13%	-12%
Students with Disabilities <sup>12</sup>	9%	21%	-12%	18%	-9%

<sup>8</sup> According to the NYC DOE Location Code Generation and Management System.

<sup>9</sup> Brownsville Ascend has not yet fully grown into their authorized grade span, which is why they are below their current authorized enrollment.

<sup>10</sup> Variance is defined as the percentage point difference of subgroup enrollment between the charter school and district of location.

<sup>11</sup> Includes ELL students exited from a program within the last three years of the reporting period.

### **Bushwick Ascend Charter School**

Board Chair(s)	Stephanie Mauterstock		
Charter Organization (if applicable)	Management	Ascend Learning	
Other Partner(s)	N/A		
District(s) of Location	NYC Community School District 32		
Physical Address(es)	751 Knickerbocker Avenue, Brooklyn , NY 11221 (K-4) 2 Aberdeen Street, Brooklyn, NY 11207 (5-6)		
Facility Owner(s)	Private		
Enrollment <sup>13</sup>	763		
Grades Served	K-6		
School Instruction	Opened For	2010-2011	
Current Charter Term	February 9, 2015 to June 30, 2018		
Current Authorized Grade Span	K-12		
Current Enrollment	Authorized	975	
<b>Revision Requested</b>	<b>To merge Brooklyn Ascend Charter School (NYCDOE), Brownsville Charter School (NYCDOE), and Bushwick Ascend Charter School (NYCDOE) into Canarsie Ascend Charter School (SUNY) under the amended name Ascend Charter Schools.</b>		
Revision Recommendation	Approve		
Timetable for Implementation	Revision	The Regents action for Bushwick Ascend Charter School would take effect July 1, 2016.	

<sup>12</sup> Includes SWD students exited from a program within the last three years of the reporting period.

<sup>13</sup> According to ATS data as of October 14, 2015.

Bushwick Ascend Charter School (Bushwick Ascend) was first authorized by the Chancellor of the NYCDOE as a charter school for the 2009-10 school year. Bushwick Ascend is a K-6 school authorized to serve grades K-12 located in NYC Community School District 32 in Brooklyn. The School is in a private space and is not co-located with any other education programs<sup>14</sup>. The School is in the second charter term and was issued a short term renewal of 3.5 years in January 2015. The School is currently serving 763 students in Grades K-6 in the 2015-16 school year. The School is operating below its authorized scale, which is 975 students<sup>15</sup>.

Bushwick Ascend received a short-term renewal in January 2015. At the time of renewal, the School partially demonstrated academic achievement and progress. Over the course of the charter term, Bushwick Ascend performed above the average of the CSD of location in ELA and in math Common Core aligned NYS assessments.

The revision sought would not impact student enrollment.

### Overall Proficiency

	ELA					Mathematics				
	Bushwick Ascend	CSD	Variance to CSD <sup>16</sup>	NYC	Variance to NYC	Bushwick Ascend	CSD	Variance to CSD	NYC	Variance to NYC
<b>2014-2015:</b>	21%	16%	+5%	30%	-9%	36%	24%	+12%	39%	-3%

*Note: This 2015 proficiency data comes from the previous charter term; the school has not yet taken state assessments in its current charter term.*

<sup>14</sup> According to the NYC DOE Location Code Generation and Management System.

<sup>15</sup> Bushwick Ascend has not yet fully grown into their authorized grade span, which is why they are below their current authorized enrollment.

<sup>16</sup> Variance is defined as the percent difference of subgroup enrollment between the charter school and district of location.

## Enrollment<sup>17</sup>

	2014-2015				
	Bushwick Ascend	CSD	Variance to CSD	NYC	Variance to NYC
Economically Disadvantaged	85%	94%	-9%	78%	+7%
Limited English Proficient <sup>18</sup>	16%	18%	-2%	13%	+3%
Students with Disabilities <sup>19</sup>	14%	17%	-3%	18%	-4%

### **Summary of Public Comment**

The New York City Department of Education has approved of the proposed merger with an effective date of July 1, 2016, and held the required public hearings regarding the proposed charter revision and merger on December 10, 2015. There were fourteen attendees and six speakers in support of the revision.

### **Recommendations**

VOTED: That pursuant to the authority contained in Education Law §§223 and 2853(1)(b-1)

1. Brooklyn Ascend Charter School, Brownsville Ascend Charter School, and Bushwick Ascend Charter School be and hereby are merged with Canarsie Ascend Charter School, with Canarsie Ascend Charter School as the surviving education corporation under the amended name Ascend Charter Schools.
2. Ascend Charter Schools shall continue to administer the educational operations and purposes of the constituent corporations in the same manner as they presently exist.
3. The separate existence of the education corporations Brooklyn Ascend Charter School, Brownsville Ascend Charter School, Bushwick Ascend Charter School and Canarsie Ascend Charter School hereby cease, and Canarsie Ascend Charter

<sup>17</sup> Note: This 2015 enrollment data comes from the previous charter term; 15-16 enrollment rates are not currently accurately available.

<sup>18</sup> Includes ELL students exited from a program within the last three years of the reporting period.

<sup>19</sup> Includes SWD students exited from a program within the last three years of the reporting period.

School, the surviving corporation under the amended name Ascend Charter Schools is hereby vested with all the rights, privileges, immunities, powers and authority possessed by or granted by law to each of the constituent corporations. All assets and liabilities of the respective constituent corporations are hereby assets and liabilities of such surviving corporation. All property, real, personal and mixed and all debts to each of the corporations on whatever account are hereby attached to Canarsie Ascend Charter School, the surviving corporation under the amended name Ascend Charter Schools, and may be enforced against it to the same extent as if the debts, liabilities and duties had been incurred or contracted by it.

4. The merged corporation shall operate under the provisional charter granted to Canarsie Ascend Charter School under the amended name Ascend Charter Schools, which is hereby amended to authorize the operation of four public charter schools as follows:
  - i. Brooklyn Ascend Charter School,
  - ii. Brownsville Ascend Charter School
  - iii. Bushwick Ascend Charter School, and
  - iv. Canarsie Ascend Charter School
  
5. The merger herein shall take effect on July 1, 2016; and it is further

VOTED: That the Board of Regents finds that: (1) **Ascend Charter Schools** meets the requirements set out in Article 56 of the Education Law, and all other applicable laws, rules and regulations; (2) **Ascend Charter Schools** can demonstrate the ability to operate in an educationally and fiscally sound manner; (3) granting the request to revise the charter 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) granting the request to revise the charter would have a significant educational benefit to the students expected to attend the schools operated by **Ascend Charter Schools**, and the Board of Regents therefore approves the charter revision for **Ascend Charter Schools**, as proposed by the Chancellor of the New York City Department of Education and amends the provisional charter accordingly.

### **Timetable for Implementation**

The Regents action for the Ascend Charter Schools merger will become effective July 1, 2016.