



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

**TO:** P-12 Education Committee

**FROM:** John B. King

**SUBJECT:** Charter Schools: Renewal of Charters Authorized by the Board of Trustees of the State University of New York (SUNY)

**DATE:** July 1, 2011

**AUTHORIZATION(S):**

### **SUMMARY**

I recommend that the Board of Regents approve the following proposed renewal charters as proposed by the Board of Trustees of the State University of New York (SUNY) in its capacity as a charter school authorizer under Article 56 of the Education Law and that the charters be extended for terms as indicated.

The following table outlines information about this proposed charter schools. Additional information about the applications and the review of the applications is included in the attached Recommendation and Executive Summary from the SUNY Charter Schools Institute's Renewal Report for the schools (Attachment).

1. Buffalo United Charter School  
Term: 3<sup>rd</sup> Renewal: August 1, 2011 - July 31, 2016
2. Icahn Charter School I  
Term: 2<sup>nd</sup> Renewal: August 1, 2011 - July 31, 2016
3. Sisulu Walker Charter School of Harlem  
Term: 3<sup>rd</sup> Renewal: August 10, 2011 - August 9, 2016

**Buffalo United Charter School**

Name of Charter School	<b>Buffalo United Charter School</b>
Terms and Dates of Charter	Second Renewal Charter: August 1, 2008 – July 31, 2011
Current Grade(s) and Approved Enrollment	2010-2011: Grades K-8: 650 students
Current Year of Operation	2010-2011: Eighth Year of Operation
Lead Applicant(s)	Diane Rowe, BoT President
Management Company	National Heritage Academies
Other Partner(s)	N/A
District of Location	Buffalo CSD
<b>New Material Term</b>	Third Renewal: August 1, 2011 – July 31, 2016
<b>New Grade Levels</b>	2011-2012: Grades K-8 2012-2013: Grades K-8 2013-2014: Grades K-8 2014-2015: Grades K-8 2015-2016: Grades K-8
<b>New Enrollment</b>	2011-2012: 680 students 2012-2013: 680 students 2013-2014: 680 students 2014-2015: 680 students 2015-2016: 680 students
Date Approved by SUNY BoT	January 10, 2011

**Icahn Charter School I**

Name of Charter School	<b>Icahn Charter School I</b>
Terms and Dates of Charter	Second Renewal Charter: August 1, 2006 – July 31, 2011
Current Grade(s) and Approved Enrollment	2010-2011: Grades K-8: 324 students
Current Year of Operation	2010-2011: Tenth Year of Operation
Lead Applicant(s)	Julie Goodyear, Carl C. Icahn, BoT President
Management Company	N/A
Other Partner(s)	Foundation for a Greater Opportunity
District of Location	NYC CSD #9
<b>New Material Term</b>	Third Renewal: August 1, 2011 – July 31, 2016  School requests a waiver of the charter agreement provision usually imposed by the Board of Trustees that prohibits more than 40% of a charter school board from being affiliated with any single entity, in this case, the Foundation for a Greater Opportunity.
<b>New Grade Levels</b>	2011-2012: Grades K-8 2012-2013: Grades K-8 2013-2014: Grades K-8 2014-2015: Grades K-8 2015-2016: Grades K-8
<b>New Enrollment</b>	2011-2012: 324 students 2012-2013: 324 students 2013-2014: 324 students 2014-2015: 324 students 2015-2016: 324 students
Date Approved by SUNY BoT	January 10, 2011

**Sisulu-Walker Charter School of Harlem**

Name of Charter School	<b>Sisulu-Walker Charter School of Harlem</b>
Terms and Dates of Charter	Second Renewal Charter: August 09, 2006 – August 09, 2011
Current Grade(s) and Approved Enrollment	2010-2011: Grades K-5: 262 students
Current Year of Operation	2010-2011: Twelfth Year of Operation
Lead Applicant(s)	Martez R. Moore, BoT President
Management Company	Victory Schools, Inc.
Other Partner(s)	N/A
District of Location	NYC CSD #3
<b>New Material Term</b>	Third Renewal: August 10, 2011 – August 9, 2016
<b>New Grade Levels</b>	2011-2012: Grades K-5 2012-2013: Grades K-5 2013-2014: Grades K-5 2014-2015: Grades K-5 2015-2016: Grades K-5
<b>New Enrollment</b>	2011-2012: 270 students 2012-2013: 270 students 2013-2014: 270 students 2014-2015: 270 students 2015-2016: 270 students
Date Approved by SUNY BoT	January 10, 2011

**REASONS FOR RECOMMENDATION**

The proposed charter schools: (1) meet 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) are 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 schools.

## **RECOMMENDATION**

VOTED: That the Board of Regents approves and issues the third renewal charter of the Buffalo United Charter School as proposed by the Board of Trustees of the State University of New York, and that its provisional charter be extended for a term up through and including July 31, 2016.

VOTED: That the Board of Regents approves and issues the second renewal charter of the Icahn Charter School I as proposed by the Board of Trustees of the State University of New York, and that its provisional charter be extended for a term up through and including July 31, 2016.

VOTED: That the Board of Regents approves and issues the third renewal charter of the Sisulu Walker Charter School of Harlem as proposed by the Board of Trustees of the State University of New York, and that its provisional charter be extended for a term up through and including August 9, 2016.

Attachment



Charter Schools Institute  
*The State University of New York*

# Subsequent Renewal Report

## Buffalo United Charter School

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**January 3, 2011**

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## REPORT INTRODUCTION

This report is the primary means by which the Charter Schools Institute (the “Institute”) transmits to the Board of Trustees of the State University of New York (the “SUNY Trustees”) its findings and recommendations regarding a school’s Application for Renewal, and more broadly, details the merits of a school’s case for renewal. This report has been created and issued pursuant to the *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the State University Board of Trustees* (the “SUNY Renewal Practices”).<sup>1</sup>

Information about the SUNY renewal process and an overview of the requirements for renewal under the New York Charter Schools Act of 1998 (as amended, the “Act”) are available on the Institute’s website at:

[www.newyorkcharters.org/schoolsRenewOverview.htm](http://www.newyorkcharters.org/schoolsRenewOverview.htm).

## RECOMMENDATION AND EXECUTIVE SUMMARY

### **Recommendation**

### **Full-Term Renewal**

The Institute recommends that the State University Trustees approve the Application for Subsequent Renewal of the Buffalo United Charter School and renew its charter for a period of five years with authority to provide instruction to students in Kindergarten through 8<sup>th</sup> grade with a maximum enrollment of 680 students and consistent with the other terms set forth in its Application for Subsequent Renewal.

### **Background and Required Findings**

According to the SUNY Renewal Practices:

*In subsequent renewal reviews, and in contrast to initial renewal reviews, the State University Trustees evaluate the strength and effectiveness of a school’s academic program almost exclusively by the degree to which the school has succeeded in meeting its academic Accountability Plan goals during the Accountability Period. This approach is consistent with the greater time that a school has been in operation and a concomitant increase in the quantity and quality of student achievement data that the school has generated. It is also consistent with the Act’s purpose of moving from a rules-based to an outcome-based system of accountability in which schools are held accountable for meeting measurable student achievement results.*

The Buffalo United Charter School (“Buffalo United”) has applied for a subsequent, Full-Term Renewal of five years. In its eighth year of operation, and having previously been awarded a Short-Term Renewal of three years (a copy of the report available on the

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<sup>1</sup> The *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the State University Board of Trustees* (revised September 15, 2009) are <http://www.newyorkcharters.org/documents/renewalPractices.doc>.

Institute's website at: <http://www.newyorkcharters.org/pubsReportsRenewals.htm>), the SUNY Renewal Practices provide only two possible renewal outcomes for Buffalo United: Full-Term Renewal or Non-Renewal. In order to earn a Full-Term Renewal, Buffalo United must demonstrate that it has met the criteria for such a renewal as described in the SUNY Renewal Practices. Specifically, the school must demonstrate that it "has met or come close to meeting its academic Accountability Plan goals during the Accountability Period," or it must face non-renewal. Based on the Institute's review of the evidence that it gathered and that Buffalo United has provided including, but not limited to, the school's Application for Subsequent Renewal, evaluation visits conducted during the charter period, a renewal evaluation visit conducted during the final year of the charter period, and the school's record of academic performance as determined by the extent to which it has met its academic Accountability Plan goals, the Institute finds that the school has "met or come close to meeting its academic Accountability Plan goals during the Accountability Period."<sup>2</sup>

Based on all the evidence submitted, the Institute makes the following findings required by the Act.

Buffalo United as described in its Application for Subsequent Renewal meets the requirements of the Act and all other applicable laws, rules and regulations. The school has demonstrated the ability to operate in an educationally and fiscally sound manner in the next charter period. Finally, given the programs it will offer, its structure and its purpose, approving the school to operate for another five years is likely to improve student learning and achievement and materially further the purposes set out in Education Law subdivision 2850(2).

Therefore, in accordance with the standard for subsequent renewal found in the SUNY Renewal Practices, the Institute recommends that the SUNY Trustees approve Buffalo United's Application for Subsequent Renewal and renew the charter for a full-term of five years.

### **Consideration of School District Comments**

In accordance with the Act, the Institute notified the school district in which the charter school is located regarding the school's application for renewal. As of the date of this report, no district comments were received in response.

### **Summary Discussion**

#### *Academic Success*

During the three years of its Accountability Period, Buffalo United Charter School has consistently met its mathematics Accountability Plan goal. The school met its English language arts goal in two of the three years; in the most recent year, when it did not meet the overall goal, the school still outperformed its district by more than ten percent and, with a large percent of students eligible for free lunch, performed at a notably higher level than expected among similar schools state-wide. The school has met its science and social studies goals for the fourth grade, but not for the eighth grade. According to the

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<sup>2</sup> SUNY Renewal Practices, Full-Term Renewal standard (9).



state's No Child Left Behind ("NCLB") accountability system, the school is deemed to be in good standing.

Based on an evaluation of the five measures in its Accountability Plan, Buffalo United did not meet its English language arts goal in 2009-10, after having met it in the two previous years. While the school has not met the 75 percent target for absolute proficiency in any year during the Accountability Period, it has outperformed its local school district every year and consistently exceeded the Annual Measurable Objective ("AMO") set by the state. In comparison to demographically similar schools state-wide, the school has performed better than expected and met its target each year. Buffalo United showed considerable year-to-year cohort growth over the first two years of the Accountability Period, though performance decreased in the most recent year.

Based on an evaluation of the five measures in its Accountability Plan, Buffalo United has met its mathematics goal throughout the Accountability Period. The school has consistently exceeded the absolute target of 75 percent proficiency as well as the AMO target each year. The school has outperformed its local school district by a wide margin each year. In comparison to demographically similar schools state-wide, the school has consistently performed better than expected and met its target each year except for the most recent year. With respect to year-to-year cohort growth, Buffalo United exceeded its growth target in the first two years of the Accountability Period, although overall performance declined in the most recent year.

Buffalo United has benefited from strong and stable instructional leadership. The principal, who was completing her third full year in that position at the time of the renewal inspection visit, has instilled high expectations for teacher performance and student achievement throughout the school. The leadership team, particularly the instructional deans, has effectively provided sustained and systematic support to the teaching staff. Teachers are regularly and systematically evaluated to identify their strengths and weaknesses. Buffalo United's professional development program has assisted teachers in meeting student academic needs and school goals by addressing identified shortcoming in their pedagogical skills and content knowledge. The school's comprehensive professional development program provides a combination of on-site and individually tailored opportunities to foster the development of all teachers.

At the time of the renewal inspection visit, Buffalo United had in place a system to gather assessment and evaluation data for improving instructional effectiveness and student learning. The school regularly administers assessments aligned to its curriculum and state standards, with heavy emphasis throughout the charter period on the Northwest Evaluation Association (NWEA) Measure of Academic Progress (MAP). In addition, in response to decreased levels of student achievement in some areas, the school has implemented a systematic strategy for using formative assessments within classrooms to determine student acquisition of concepts and skills and to target areas in need of increased instructional attention. Teachers use this approach and other assessment strategies to determine instructional groupings, target remediation interventions, and adjust curriculum and instruction, while school leaders have used assessment results to monitor and appropriately adjust the academic program.

Buffalo United has a clearly defined and well-developed curriculum as a result of the implementation of an effective process for selecting, developing, and reviewing its

curriculum framework and instructional resources over the course of the charter period. At the time of the renewal inspection visit, teachers effectively planned classroom instruction to meet a range of student learning needs through the support of instructional leaders and the availability of adequate resources.

At the time of the current renewal inspection visit high quality instruction was evident in classes throughout the school. During the charter period, teachers have delivered purposeful lessons with objectives aligned to state learning standards and the curriculum. They have become more adept at utilizing a variety of instructional strategies to engage students and have furthered their differentiation of classroom instruction. In general, the overall quality of instruction is in contrast, particularly in the upper grades, to that observed during the school's initial renewal inspection three years ago

Buffalo United has in place a robust system for helping students who are struggling academically. The school uses clear procedures for identifying at-risk students, including those with disabilities and English language learners. A variety of strategies are utilized to meet the needs of struggling students, including homogenously grouped classes, push-in and pull out intervention programs, and targeted supplemental instruction. Through its various assessment strategies, the school has adequately monitored the progress and success of at-risk students and has provided teachers with ample support to help them meet these students' needs.

#### *Organizational Effectiveness and Viability*

Buffalo United Charter School has been faithful to its mission to “offer families and students a public charter school, which focuses on high achievement and instills a sense of family, community, and leadership within all of [their] students” and has implemented the key design elements contained in its charter in pursuit of that mission. In particular, the school has effectively provided a wrap around program through its partnership with the Boys and Girls Club of Buffalo that provides year-round and summer school activities. In addition, Buffalo United has implemented practices that have encouraged strong parental involvement, including establishing three different parent-teacher committees. The school has also monitored student performance closely as described above, implemented a code of conduct designed to provide students with a safe and orderly school environment, and focused on student leadership development by providing all students with a structured character education program.

Buffalo United has an annual process for evaluating parent and family satisfaction. In addition to administering a parent survey, the school also collects data on student attrition, enrollment and re-enrollment, waiting lists and attendance levels. With a response rate of 86 percent on the 2009-10 annual survey, the school reported that 91 percent of respondents believed the school had high expectations for their child and 92 percent of parents felt that parental involvement was a significant priority of the school. Parents interviewed during the renewal visit were positive about the school, noting individualized attention, discipline and uniforms, and after-school programs as reasons for choosing Buffalo United for their children. Parents believed that the school has improved its communication with them through a variety of media, including an online system, and indicated that teachers and administrators are accessible and responsive. While the school has not met its internal enrollment targets, it has experienced an average re-enrollment rate of 70 percent. Notably, the school enrolls new students in all

grades. Finally, it has had an average attendance rate of 93 percent over the course of the charter period.

Buffalo United has established a well-functioning organizational structure with staff, systems, and procedures that allow the school to carry out its academic program. Day-to-day operations are competently managed, and the priorities of the school's leadership are clearly aligned to the school's mission. The school's organizational structure supports distinct lines of accountability with clearly defined roles and responsibilities. Furthermore, the school has made significant progress during the charter period in hiring and retaining key personnel, including a shift to a four dean model which has provided greater instructional oversight and support.

Buffalo United has maintained adequate student enrollment over the course of the charter period and has effective procedures for recruiting new students to the school. The percentage of English Language Learners ("ELLs") remains low as compared to the Buffalo City School District as a result of its geographic location, despite some targeting of this student population in its recruitment efforts.

The school board has worked effectively to oversee the educational program and achieve the school's mission. Board members have adequate skills and expertise to provide oversight to the school, though the board is seeking to add individuals with expertise in marketing and academic support. The school board fulfills its responsibilities through a traditional committee structure and understands the core business of the school – academic achievement – in sufficient depth to be effective. The board conducts an ongoing assessment and evaluation of its own effectiveness in providing adequate school oversight, which has resulted in the identification of areas for continued improvement. One such area is the negotiation of lease terms that are more favorable to the school, including an option to purchase the facility from the landlord, which is an affiliate of the school's for-profit management company, National Heritage Academies, Inc. ("NHA").

During the current charter period, the board of trustees has demonstrated its willingness to respond to evidence about academic achievement and to take responsibility for improving the quality of the academic program. When the school's student achievement results decreased, the school board demanded additional data from NHA in order to use the data better to drive instruction and make leadership decisions. The school board also requested a change in NHA personnel supporting the school in order to better meet the needs of the current principal, to which NHA agreed.

The school board has also effectively contracted with the Boys and Girls Club of Buffalo to provide supplemental services to its students. It has minimized the conflict of the board chair with respect to its contract with the Boys and Girls Club by not only having the chair recuse herself from voting on the contract but also but appointing a committee to determine whether similar services could be procured on more favorable terms.

The school board has also instilled a sense of community in the school by supporting improvements in the neighborhood by eliciting government action such as the razing of a dilapidated structure on an adjoining property and the installation of a traffic light near the school, both of which improved student safety and addressed concerns of parents.

Based on the evidence available at the time of the renewal inspection visit and throughout the current charter term, in all material respects, the school has been in general and substantial compliance with the terms of its charter, bylaws, applicable state and federal law, rules and regulations throughout the term of its charter. Minor deficiencies were noted in the areas of Freedom of Information Law compliance, federal Family Educational Rights and Privacy Act (FERPA) compliance; the bylaws and code of ethics require the incorporation of additional language as required by the recent amendments to the Act. Past deficiencies in the areas of OSHA compliance and criminal background checks had been rectified at the time of the renewal visit.

While a State Education Department (“SED”) report indicated deficiencies in special education compliance and the teaching of religion in school, no such deficiencies were noted by the Institute or at the time of the renewal inspection visit. As Buffalo United has adequate systems in place to ensure that all special education compliance matters are handled by appropriately certified school personnel, the Institute determined that the deficiency indicated by SED was the result of a reporting error. Further, SED’s finding that “religion was being taught” was the result of a single teacher using the story of the “Three Kings” in a lesson to demonstrate the difference between fiction and non-fiction. While the use of biblical text as a literary work is permissible pursuant to federal case law, the lesson plans have been changed to draw on different literary works. Lastly, the school board makes appropriate use of in-house and other legal counsel. Evidence thereof and of sound governance may be found in the school board’s use of outside counsel to negotiate amendments to the existing management agreement with NHA to address issues raised during the charter term.

### *Fiscal Soundness*

In partnership with NHA, Buffalo United has created realistic budgets over the course of the charter period that are appropriately monitored and adjusted when needed. Budget variances are routinely analyzed and material variances are discussed with school staff, the principal and school’s board of trustees on a regular basis. Under the type of management contract in place at the school, proper budgeting is a key board function. Also, management has consistently taken a strategic approach toward spending trends and staffing needs in the development of the school’s budget(s).

Buffalo United has adopted and successfully implemented NHA’s written fiscal policies, procedures and controls related to external and internal compliance. Transactions have been accurately recorded and appropriately documented in accordance with management’s direction. NHA’s fiscal staff works with the school’s principal, leadership team and board of trustees to ensure that these policies and procedures are documented and appropriately followed. The school’s Fiscal Year (“FY”) 2009-10 audit report of internal controls—related to financial reporting and compliance with laws, regulations and grants—disclosed no material weaknesses, or instances of non-compliance. The lack of other deficiencies in the reports provides some, but not absolute, assurance that the school has maintained adequate internal controls and procedures.

Buffalo United has complied with financial reporting requirements during the charter period. Budget, quarterly and annual financial statement audit reports have been filed in a timely, accurate and complete manner. External and internal reporting requirements for the school have been effectively managed to ensure compliance with the charter

agreement and to further develop efficiency at the school level to inform operational decisions. Each of the school's annual financial audits indicate that the reports followed and were conducted in accordance with generally accepted accounting principles and received an unqualified opinion, indicating that, in the auditor's opinion, the school's financial statements and notes fairly represent, in all material respects, the school's financial position, changes in net assets, and cash flows. The school board reviews and approves various monthly and quarterly reports along with the annual financial audit report.

The school has maintained only limited cash flow over the course of the charter period, completing Fiscal Year (FY) 2009-10 in what appears to be less than stable financial condition. It should be noted that the school's non-existent cash reserve has resulted in the appearance that it has very little liquid assets.

As indicated within the school's fiscal dashboard, which appears as an appendix at the end of this report,<sup>3</sup> Buffalo United has averaged a financial responsibility composite score described as "fiscally needs monitoring" over the current charter term, indicating that it could be considered fiscally unstable. The composite score assists in measuring the financial health of a school using a blended score that measures the school's performances on key financial indicators. The blended score allows a school's sources of financial strength to offset areas of financial weakness. Further, the school has averaged a "high risk/poor" rating in terms of its working capital ratio, which indicates that the school does not have enough short term assets to cover immediate liabilities/short-term debt. Similarly, Buffalo United has averaged a "high risk/poor" rating for its debt-to-asset ratio, indicating the proportion of debt the school has maintained relative to its assets. Given the nature of its management contract, the school has no short- or long-term debt and appears to have no substantial assets because NHA is generally liable for all expenses and the school board is only entitled to a small reserve of funds each year. Finally, the school has averaged a "high risk/poor" rating with respect to the months-of-cash ratio, demonstrating that it has not had more than the suggested three months of annual expenses in reserves. Again, however, such expenses would be the responsibility of the management company if included in the annual budget negotiated with NHA.

It should be noted that the above ratios, risk evaluations and ratings may not be completely indicative of the school's overall fiscal stability due to its contractual relationship with its management partner. NHA employs a model that results in the collection of all per-pupil revenue the school generates and utilizes this revenue to operate the school. The remaining revenue after these services are provided to NHA is the management fee; therefore, the fiscal stability of the school is more dependent upon the viability of the management partner than enrollment and fluctuations in expenses.

#### *Plans for the Next Charter Period*

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<sup>3</sup> The Institute's Fiscal Dashboard, which provides a detailed financial analysis of each school authorized by the SUNY Trustees, is available at: <http://www.newyorkcharters.org/FiscalDashboard.htm>. A memo explaining the metrics used within the dashboard is also available at that web address.

Buffalo United has provided all of the key structural elements for a renewal charter and they are deemed to be reasonable, feasible and achievable. The school would maintain its mission statement as follows:

*The mission of Buffalo United Charter School is to offer families and students a public charter school, which focuses on high academic achievement and instills a sense of family, community and leadership within all of our students.*

The school board intends to continue its management relationship with NHA, a for-profit educational service provider, including the implementation of the educational program, curriculum and assessment programs, professional development for teachers, and all business and operational functions.

The school would continue providing instruction to students in Kindergarten through 8<sup>th</sup> grade. Projected enrollment in each of the five years within the proposed charter period would be 680 students and the school would offer 183 days of instruction each year. The school day would last from 7:30 a.m. to 3:30 p.m.

Buffalo United does not propose to make significant changes to its educational program, but rather would continue to refine and enhance programs already in place. In pursuit of its mission, the school proposes to focus on the following key design elements for the next chart period: a focus on high academic achievement for all students; a character education program incorporated throughout the curriculum referred to as the Moral Focus that teaches identified virtues throughout the year; strong parental partnerships; student responsibility; and data-driven instruction and decision-making. Citing recent assessment results and school quality reviews, the school intends to focus on improving school culture and instructional rigor across all grades, especially in 7<sup>th</sup> and 8<sup>th</sup> grades. These efforts would include fully implementing a new school-wide discipline system and code of conduct, the implementation of a new method to determine student attainment of the objectives contained in the school's curriculum, placing increased focus on reading and writing using Six Traits of Writing, and transitioning from Saxon Math to Think Math. To explicitly focus on improving student learning in 7<sup>th</sup> and 8<sup>th</sup> grades, the school would add an additional dean of students to work exclusively with teachers and students in these grades.

Buffalo United would maintain its current organizational structure with the principal as the chief school official, assisted by four deans of students in the first three years of the proposed charter period, reduced to three deans for the remaining two years if warranted by student performance. Members of the current board of trustees expressed an interest in continuing their service to the school. The school board would maintain its existing committee structure to carry out its responsibilities. Finally, the school plans to remain in its current facility at 325 Manhattan Avenue in Buffalo, which has provided ample space to deliver the educational program to date.

The school has presented a reasonable and appropriate fiscal plan, including adequate budgets for the term of the next charter that is likely achievable. The school has taken a strong strategic and conservative approach to budgeting and planning for the next charter period. Due to state deficit problems, and the uncertainty of per-pupil funding, the school has developed a working budget that uses the 2009-10 funding levels as a starting point and that remains flat for the first two years of the next charter period and

increases by three percent each year starting in 2013-14. The plan projects a break even budget each year due to the NHA revenue sweep model. The operating plan is contingent on the school's continuing to meet enrollment goals which it has historically been able to accomplish. Long-range fiscal projections are more susceptible to error than those for a single year. Such projections are subject to revision due to changes in local conditions, objectives, laws and state funding. The school will be required to continually develop and adopt annual budgets based on known per-pupil amounts for the districts from which it draws enrollment.

It should be noted that the 2010-11 per-pupil rate for the school's primary district, Buffalo, is 15.1% higher than the 2009-10 rate. NHA and the school have chosen to use the 2009-10 per pupil amount as a starting point due to the uncertainty of whether or not the 2010-11 per pupil rate will be maintained or be reduced. Using the 2009-10 rate, the school has already shown projected break-even years during the next charter term and if the 2010-11 rate remains it will only be more positive for NHA and the school. Based on the foregoing, and the school's stated intent to remain partnered with NHA, the school should be able to operate in a fiscally sound manner in the next charter period.

To the extent that Buffalo United Charter School has primarily achieved its key academic goals, continues to implement an educational program that supports achieving those goals, operates an effective and viable organization, and is fiscally sound, its plans to continue to implement the educational program as proposed during the next charter period are reasonable, feasible and achievable.



Charter Schools Institute  
*The State University of New York*

## Subsequent Renewal Report

### Icahn Charter School 1

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**January 3, 2011**

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## REPORT INTRODUCTION

This report is the primary means by which the Charter Schools Institute (the “Institute”) transmits to the Board of Trustees of the State University of New York (the “SUNY Trustees”) its findings and recommendations regarding a school’s Application for Renewal, and more broadly, details the merits of a school’s case for renewal. This report has been created and issued pursuant to the *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the State University Board of Trustees* (the “SUNY Renewal Practices”).<sup>4</sup>

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[www.newyorkcharters.org/schoolsRenewOverview.htm](http://www.newyorkcharters.org/schoolsRenewOverview.htm).

## RECOMMENDATION AND EXECUTIVE SUMMARY

### **Recommendation**

### **Full-Term Renewal**

The Institute recommends that the State University Trustees approve the Application for Subsequent Renewal of the Icahn Charter

School 1 and renew its charter for a period of five years with authority to provide instruction to students in Kindergarten through 8<sup>th</sup> grade with a maximum enrollment of 324 students, and consistent with the other terms set forth in its Application for Subsequent Renewal.

The Institute further recommends that the SUNY Trustees continue to allow the waiver of the Trustees’ 40 percent rule, which is a charter provision that prohibits more than 40 percent of a charter school board from being affiliated with any single entity, in this case, the not-for-profit Foundation for a Greater Opportunity.

### **Background and Required Findings**

According to the SUNY Renewal Practices:

*In subsequent renewal reviews, and in contrast to initial renewal reviews, the State University Trustees evaluate the strength and effectiveness of a school’s academic program almost exclusively by the degree to which the school has succeeded in meeting its academic Accountability Plan goals during the Accountability Period. This approach is consistent with the greater time that a school has been in operation and a concomitant*

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<sup>4</sup> The *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the State University Board of Trustees* (revised September 15, 2009) are <http://www.newyorkcharters.org/documents/renewalPractices.doc>.

*increase in the quantity and quality of student achievement data that the school has generated. It is also consistent with the Act's purpose of moving from a rules-based to an outcome-based system of accountability in which schools are held accountable for meeting measurable student achievement results.*

Icahn Charter School 1 ("Icahn Charter School") has applied for a subsequent, Full-Term Renewal of five years. In its tenth year of operation, and having previously been awarded a Full-Term Renewal, the SUNY Renewal Practices provide only two possible renewal outcomes for Icahn Charter School: Full-Term Renewal or Non-Renewal. In order to earn a Full-Term Renewal, Icahn Charter School must demonstrate that it has met the criteria for such a renewal as described in the SUNY Renewal Practices. Specifically, the school must demonstrate that it, "has met or come close to meeting its academic Accountability Plan goals during the Accountability Period," or it must face non-renewal. Based on the Institute's review of the evidence that it gathered and that Icahn Charter School has provided including, but not limited to, the school's Application for Renewal, evaluation visits conducted during the charter period, a renewal evaluation visit conducted during the final year of the charter period, and the school's record of academic performance as determined by the extent to which it has met its academic Accountability Plan goals, the Institute finds that the school has "met or come close to meeting its academic Accountability Plan goals during the Accountability Period."<sup>5</sup>

Based on all the evidence submitted, the Institute makes the following findings required by the Act.

The Icahn Charter School 1, as described in its Application for Subsequent Renewal, meets the requirements of the Act and all other applicable laws, rules and regulations. The school has demonstrated the ability to operate in an educationally and fiscally sound manner in the next charter period. Finally, given the programs it will offer, its structure and its purpose, approving the school to operate for another five years is likely to improve student learning and achievement and materially further the purposes set out in Education Law subdivision 2850(2).

Therefore, in accordance with the standard for Subsequent Renewal found in the SUNY Renewal Practices, the Institute recommends that the SUNY Trustees approve the Icahn Charter School's Application for Charter Renewal and renew the charter for a full-term of five years.

### **Consideration of School District Comments**

In accordance with the Act, the Institute notified the school district in which the charter school is located regarding the school's application for renewal. As of the date of this report, no comments were received from the district in response.

### **Summary Discussion**

#### *Academic Success*

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<sup>5</sup> SUNY Renewal Practices, Full-Term Renewal standard (9).

Icahn Charter School has consistently met its key Accountability Plan goals of English language arts and mathematics, meeting all measures for both goals each year, with the exception of the respective growth measures, which are unlikely to be met because of the large proportion of students scoring at the proficient level. In addition, the school has consistently met its science and social studies goals during the Accountability Period. According to the state's No Child Left Behind ("NCLB") accountability system, the school is deemed to be in good standing.

Based on an evaluation of the five measures in its Accountability Plan, the school has consistently met its English language arts goal throughout the Accountability Period. The school exceeded the 75 percent target for absolute proficiency every year during the Accountability Period and showed steady improvement. The school has consistently exceeded the Annual Measurable Objective (AMO) set by the state and outperformed its local community school district every year. In comparison to demographically similar schools state-wide, the school has performed better than expected and met its target each year. The school has also shown overall year-to-year cohort growth in the two previous years, but with a slight decline in the most recent year.

Icahn Charter School has met its mathematics goal throughout the Accountability Period, consistently exceeding the absolute target by a wide margin. The school has exceeded the AMO and outperformed its local community school district by a wide margin each year. In comparison to demographically similar schools state-wide, the school has performed better than expected each year, and consistently met its target. With respect to year-to-year student growth, the school as a whole exceeded its cohort growth target in the most recent year.

The school has a system to gather assessment and evaluation data and uses it to improve instructional effectiveness and student learning. Icahn Charter School regularly administers useful diagnostic, formative and summative assessments that are aligned to its curriculum. Further, the school effectively uses assessment results to improve student performance through the adjustment of classroom instruction as well as to identify students for remediation and enrichment. A wide variety of communication methods have been implemented to inform parents and the overall school community about individual student and overall school performance.

The school has a clearly defined curriculum and has effectively used it throughout the charter period to prepare students to meet state performance standards. Icahn Charter School's comprehensive curriculum, based on E.D. Hirsch's Core Knowledge, is aligned to state learning standards and performance indicators. Teachers at the school are sufficiently supported in what to teach and when to teach it, including having access to a robust amount of instructional materials to use as they implement their lessons.

Icahn Charter School offers a wide array of supports for its teachers, provided by members of the leadership team and external consultants. Instructional leaders have also established and maintained an environment of very high expectations for student achievement and teacher performance. Notably, a professional culture focused on student outcomes has been evident across the school, including school leadership, the school board, instructional staff, and the Icahn network. These efforts resulted in quality instruction being observed throughout the school at the time of the renewal inspection visit.

Throughout Icahn Charter School's existence, including the current charter period, the school has effectively implemented a data-driven Targeted Assistance Program that is demonstrably effective in helping students who are struggling academically. While Icahn Charter School enrolls a low percentage of students with disabilities and English language learners, it has clear procedures in place for identifying these student populations and meeting their needs.

Icahn Charter School has continued to maintain an exceptionally safe and orderly environment where learning is valued, promoted, and clearly evident. At the time of the renewal inspection visit, teachers implemented a variety of effective classroom management techniques with routines and procedures that allow them to successfully deliver lessons. A school-wide discipline system has been in place and consistently applied. The school has experienced an extremely low number of student suspensions.

The school's professional development program assists teachers in meeting student academic needs and school goals by addressing overall instructional priorities as well as general shortcomings in teachers' pedagogical skills and content knowledge. The professional development program provides teachers with a variety of options that address both areas of interest as well as deficiencies identified by school leaders.

#### *Organizational Effectiveness and Viability*

Icahn Charter School has been faithful to its mission and has implemented the key design elements contained in its renewal charter in pursuit of that mission, including focusing on the Core Knowledge curriculum and providing academic support through the Targeted Assistance Program. The school has also employed a director of assessment to manage the school's overall student assessment program and provide teachers with related support, as well as a staff developer to assist teachers in improving their instructional practices.

Based on limited data, families appear to be satisfied with the school. The school utilizes an annual parent satisfaction survey as a key method to ensure strong parental input and collaboration. A survey response rate above 90 percent has been reported by the school for each year of the current charter period. In 2009-10, 94 percent of respondents rated the school as either "excellent" or "good" on each of the 15 items included in the survey. In addition, the school has experienced a very high student retention rate, also demonstrating that parents are satisfied with the school such that they consistently re-enroll their child.

Icahn Charter School has established a well-functioning organizational structure with staff, systems, and procedures that allow the school to carry out its academic program. Day-to-day operations are competently managed by a mixture of school and network staff; the priorities of the school's leadership are clearly aligned to the school's mission and Accountability Plan goals. The school's organizational structure supports distinct lines of accountability with clearly defined roles and responsibilities. In addition, the school has been successful in attracting, and in particular retaining, a significant number of quality personnel throughout the school.

The Icahn Charter School board of trustees has worked effectively to oversee the educational program and achieve the school's mission. The composition of the board, which also serves as the board for Icahn Charter Schools 2, 3, 4 and 5 (all authorized by the SUNY Trustees), includes individuals with a diverse set of skills. The board believes that it is well represented in critical areas including management, business, education, real estate and financial expertise, and as such, they have no current plans to increase the board's membership. At the time the school was granted an Initial Full-Term Renewal, it was granted a waiver such that more than 40 percent of the school's board may be affiliated with the Foundation for a Greater Opportunity, an organization that, *inter alia*, helps provide facilities for charter and district schools. The affiliation has not caused any undue conflicts and those that do exist are handled appropriately. The board has visited the school on multiple occasions and they receive detailed reports from the school leader and superintendent on student achievement, legal compliance, and fiscal accountability.

The school board holds school leaders and the superintendent of the Icahn charter school network accountable for measurable student performance results. The board conducts annual evaluations of the school's principal with the assistance and guidance from the superintendent. The school board receives regular reports at each board meeting from school leaders on academic performance, finance, staff updates, enrollment, discipline issues, and any other areas of concern. In the future, the school board seeks to formalize its succession planning in the event that there is leadership turnover at the school or superintendent level. The school board has generally abided by its by-laws and has held its meetings in accordance with the Open Meetings Law.

The board of trustees has generally avoided creating conflicts of interest, and where conflicts exist, the board has managed those conflicts in a clear and transparent manner through recusal. In most material respects, the school board has implemented adequate policies and procedures to ensure the effective governance and oversight of the school. At the time of the renewal visit, some school policies had not yet been formalized, but due to the school's small size, it has been able to respond to issues as they arise in a manner that is consistent with its charter and all applicable laws and regulations. While the school has adopted a comprehensive complaint policy, there have been no formal complaints brought to the board during the charter period.

Based on the evidence available at the time of the renewal inspection visit and throughout the current charter term, in most material respect, with minor exceptions Icahn Charter School has been in general and substantial compliance with the terms of its charter, bylaws, applicable state and federal law, rules and regulations throughout the term of its charter. The school's bylaws and code of ethics need to incorporate additional language as required by the recent amendments to the Charter Schools Act which will occur through a request for amendment process. The school board has also made appropriate use of outside legal counsel as needed.

### *Fiscal Soundness*

Icahn Charter School has operated pursuant to a long-range financial plan over the course of the charter period that has included the development of realistic budgets that are monitored and adjusted when appropriate. Budget variances are routinely analyzed by both the Icahn charter schools' superintendent and school-based personnel and

discussed with the principal and school board on a regular basis or when necessary. The school has consistently taken a strategic look at spending trends and staffing needs in the development of the school's budget(s). In addition, actual expenses have been equal to or less than actual revenue.

The school has established written fiscal policies, procedures and controls related to external and internal compliance for cash disbursements, cash receipts, bank reconciliations, payroll, fixed assets, grants/contributions, and the preparation of financial statements. Transactions have been accurately recorded and appropriately documented in accordance with leadership's direction. The school's Fiscal Year (FY) 2009-10 audit report of internal controls—related to financial reporting and compliance with laws, regulations and grants—disclosed no material weaknesses, or instances of non-compliance. The lack of other deficiencies in the reports provides some, but not absolute, assurance that the school has maintained adequate internal controls and procedures.

The school has complied with financial reporting requirements during the charter period. Budget, quarterly and annual financial statement audit reports were filed in a timely, accurate and complete manner. Each of the school's annual financial audits indicate that the reports were conducted in accordance with generally accepted accounting principles and received an unqualified opinion, indicating that, in the auditor's opinion, the school's financial statements and notes fairly represent, in all material respects, the school's financial position, changes in net assets, and cash flows. The school board reviews and approves various monthly and quarterly reports along with the annual financial audit report.

The school has maintained adequate financial resources to ensure stable operations and has monitored and successfully managed cash flow. The school completed the FY 2009-10 school year in stable financial condition slightly increasing the school's cash reserves while maintaining total net assets, most of which are attributed to the facility the school owns.

As illustrated by the school's Fiscal Dashboard, which appears as an appendix to this report,<sup>6</sup> Icahn Charter School has averaged a "fiscally strong" financial-responsibility-composite-score over the current charter term indicating a consistent level of fiscal stability. The composite score assists in measuring the financial health of a school using a blended score that measures the school's performances on key financial indicators which allows a school's sources of financial strength to offset areas of financial weakness. In addition, the school has averaged a "medium risk/good" working-capital-ratio which indicates it has generally had enough short term assets to cover immediate liabilities/short-term debt. Further, the school has averaged a "low risk/excellent" rating debt-to-asset ratio, primarily a result of the school maintaining no short or long term debt. The school has also averaged a "medium risk/good" months-of-cash ratio, demonstrating it has had more than the suggested three months of annual expenses in reserves. The school has no major investments and all cash is left in savings and/or money market

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<sup>6</sup> The Institute's Fiscal Dashboard, which provides a detailed financial analysis of each school authorized by the SUNY Trustees, is available at: <http://www.newyorkcharters.org/FiscalDashboard.htm>. A memo explaining the metrics used within the dashboard is also available at that web address.

accounts to ensure the school has sufficient cash available to pay current bills and other payables that are shortly due.

The school has averaged 87 percent of all expenses being allocated to educational program services over the current charter term. The school also saw revenue exceed expenses per student every year over the charter period, indicating the school has followed through with an effective operational plan on a year-to-year basis.

Based on all of the foregoing the school has demonstrated fiscal soundness over the course of its charter term.

#### *Plans for the Next Charter Period*

The school has provided all of the key structural elements for a renewal charter and they are deemed to be reasonable, feasible and achievable. The school would maintain its current mission statement for the term of the renewal charter as follows:

*Icahn Charter School I, using the Core Knowledge curriculum developed by E.D. Hirsch, will provide its students with a rigorous academic program offered in an extended day/year setting. Students will graduate armed with the skills and knowledge to participate successfully in the most rigorous academic environments, and will have a sense of personal and community responsibility.*

The school would continue providing instruction to students in kindergarten through 8<sup>th</sup> grade. Projected enrollment in each of the five years within the proposed charter period would be 324 students and the school would offer 192 days of instruction each year. The school day would last from 8:30 a.m. to 4:00 p.m.

The school does not propose to make significant changes to its educational program and would continue to enhance programs already in place. Proposed key design elements for the next charter period would include the following: continued implementation of the Core Knowledge curriculum; intensive targeted intervention programs for struggling students; enrichment programs, including extended school day and summer camp; strong school culture; parental involvement; commitment to serving students with disabilities; fiscal stability; collection and systematic use of student performance data; and extensive professional development for staff.

The school would maintain its current organizational structure that places the principal as the chief school official, assisted by a cadre of secondary leaders, including a director of operations, staff developer, and director of assessment. Members of the current board of trustees expressed an interest to continue their service to the school, as well as providing oversight of Icahn Charter Schools 2, 3, 4, and 5. The school board would maintain its existing committee structure to carry out its responsibilities. In addition, the school board would maintain its institutional partnership with the Foundation for a Greater Opportunity. Finally, the school intends on remaining in its current facility, the elementary program located at 1525 Brook Avenue and the middle school program located 1506 Brook Avenue in the Bronx.

Icahn Charter School has presented a reasonable and appropriate fiscal plan for the term of the next charter that is likely achievable. The school has taken a strong strategic and conservative approach in budgeting and planning for the next charter period. Due to state deficit problems, and the uncertainty of per-pupil funding, the school has developed a working budget that uses the 2009-10 funding levels as a starting point increasing each year by two percent. The plan projects a minor operating and cash flow surplus in each year, contingent on the school continuing to meet enrollment goals which it has demonstrated the ability to meet. These surpluses will further strengthen the school's fiscal stability. Long-range fiscal projections are more susceptible to error than those for a single year. Such projections are subject to revision due to changes in local conditions, objectives, laws and state funding. The school will be required to continually develop and adopt annual budgets based on known per pupil amounts for the districts from which it draws enrollment.

It should to be noted that the 2010-11 per-pupil rate for the school's primary district, New York City, is 8.7 percent higher than the 2009-10 rate. The school has chosen to use the 2009-10 per pupil amount as a starting point for budgeting purposes due to the uncertainty about whether or not the 2010-11 per pupil rate will stand or be reduced. Using the 2009-10 rate, the school has already demonstrated projected surpluses during the next charter term and if the 2010-11 rate remains it will only strengthen the school fiscally. Using this conservative method while budgeting will help the school generate additional revenue and continue to remain fiscally stable.

To the extent that Icahn Charter School has achieved its key academic goals, continues to implement an educational program that supports achieving those goals, operates an effective and viable organization, and is fiscally sound, its plans to continue to implement the educational program as proposed during the next charter period are reasonable, feasible and achievable.





Charter Schools Institute  
*The State University of New York*

## Subsequent Renewal Report

### Sisulu-Walker Charter School of Harlem

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**January 3, 2011**

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## REPORT INTRODUCTION

This report is the primary means by which the Charter Schools Institute (the “Institute”) transmits to the Board of Trustees of the State University of New York (the “SUNY Trustees”) its findings and recommendations regarding a school’s Application for Renewal, and more broadly, details the merits of a school’s case for renewal. This report has been created and issued pursuant to the *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the State University Board of Trustees* (the “SUNY Renewal Practices”).<sup>7</sup>

Information about the SUNY renewal process and an overview of the requirements for renewal under the New York Charter Schools Act of 1998 (as amended, the “Act”) are available on the Institute’s website at:

[www.newyorkcharters.org/schoolsRenewOverview.htm](http://www.newyorkcharters.org/schoolsRenewOverview.htm).

## RECOMMENDATION AND EXECUTIVE SUMMARY

### **Recommendation**

### **Full-Term Renewal**

The Institute recommends that the SUNY Trustees approve the Application for Subsequent Renewal of the Sisulu-Walker Charter School of Harlem and renew its charter for a period of five years with authority to provide instruction to students in Kindergarten through 5<sup>th</sup> grade with a maximum enrollment of 270 students, and consistent with the other terms set forth in its Application for Subsequent Renewal.

### **Background and Required Findings**

According to the SUNY Renewal Practices:

*In subsequent renewal reviews, and in contrast to initial renewal reviews, the SUNY Trustees evaluate the strength and effectiveness of a school’s academic program almost exclusively by the degree to which the school has succeeded in meeting its academic Accountability Plan goals during the Accountability Period. This approach is consistent with the greater time that a school has been in operation and a concomitant increase in the quantity and quality of student achievement data that the school has generated. It is also consistent with the Act’s purpose of moving from a rules-based to an outcome-based system of accountability in which schools are held accountable for meeting measurable student achievement results.*

Sisulu-Walker Charter School of Harlem (“Sisulu-Walker”) has applied for a subsequent, Full-Term Renewal of five years. In its 12<sup>th</sup> year of operation and after three charter

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<sup>7</sup> The *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the State University Board of Trustees* (revised September 15, 2009) are available at: <http://www.newyorkcharters.org/documents/renewalPractices.doc>.

periods, the SUNY Renewal Practices provide only two possible renewal outcomes for Sisulu-Walker: Full-Term Renewal or Non-Renewal. In order to earn a Full-Term Renewal, Sisulu-Walker must demonstrate that it has met the criteria for such a renewal as described in the SUNY Renewal Practices. Specifically, the school must demonstrate that it “has met or come close to meeting its academic Accountability Plan goals during the Accountability Period,” or it must face Non-Renewal. Based on the Institute’s review of the evidence that it has gathered and that Sisulu-Walker has provided including, but not limited to, the school’s Application for Subsequent Renewal, evaluation visits conducted during the charter period, a renewal evaluation visit conducted during the final year of the charter period, and the school’s record of academic performance as determined by the extent to which it has met its academic Accountability Plan goals, the Institute finds that the school has met its academic Accountability Plan goals during the Accountability Period.<sup>8</sup>

Based on all the evidence, the Institute makes the following findings required by the Act. Sisulu-Walker as described in its Application for Subsequent Renewal meets the requirements of the Act and all other applicable laws, rules and regulations. The school has demonstrated the ability to operate in an educationally and fiscally sound manner in the next charter period. Finally, given the programs it will offer, its structure and its purpose, approving the school to operate for another five years is likely to improve student learning and achievement and materially further the purposes set out in Education Law subdivision 2850(2).

Therefore, in accordance with the standard for Subsequent Renewal found in the SUNY Renewal Practices, the Institute recommends that the SUNY Trustees approve Sisulu-Walker’s Application for Subsequent Renewal and renew its charter for a full-term of five years.

### **Consideration of School District Comments**

In accordance with the Act, the Institute notified the school district in which the charter school is located regarding the school’s Application for Renewal. As of the date of this report, no comments from the school district were received in response.

### **Summary Discussion**

#### *Academic Success*

Over the Accountability Period, Sisulu-Walker Charter School of Harlem has consistently met its Accountability Plan mathematics goal and has met its English language arts goal throughout the period except for the most recent year. Sisulu-Walker has essentially met all of the individual measures associated with the mathematics goal each year. The school performed as strong with respect to its English language arts measures until the current year when its third grade in particular performed much lower. Aside from this decline, the school did continue to outperform the district and similar schools state-wide based on free lunch statistics. In addition, the school has met its science and social studies goals during the Accountability Period. According to New York State’s No Child

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<sup>8</sup> SUNY Renewal Practices, Full-Term Renewal standard (9).

Left Behind (“NCLB”) accountability system, the school is deemed to be in good standing.

Based on an evaluation of the five measures in its Accountability Plan, Sisulu-Walker had met its English language arts goal until the final year of the Accountability Period. The school met the absolute target of 75 percent proficient in two of the four years of the Accountability Period; after not meeting the goal in the first year, the school exceeded it for the following two years, and then saw scores decline below the target in the most recent year. The school has consistently outperformed its local community school district every year and exceeded the Annual Measurable Objective (“AMO”) set by the state. In comparison to demographically similar schools state-wide, the school has performed better than expected in each year of the Accountability Period and met the target in all but the most recent year. Sisulu-Walker has shown year-to-year cohort growth in its overall performance each year except for the most recent year. In 2008-09 one out of two cohorts achieved its growth target, and overall performance increased. In 2009-10, one cohort declined and the other performed the same as it had in the previous year.

Based on an evaluation of the five measures in its Accountability Plan, Sisulu-Walker has met its mathematics goal throughout the Accountability Period. The school has far exceeded its absolute target of 75 percent proficiency each year, with close to 100 percent proficiency each year except the most recent. The school has consistently exceeded the AMO and outperformed its local community school district by a wide margin each year. In comparison to demographically similar schools state-wide, the school met its target and performed better than expected to a large degree each year. With respect to year-to-year cohort growth, the school has seen overall declines in the two most recent years, with one out of two cohorts meeting its individual target each year.

In its 12<sup>th</sup> year of operation, Sisulu-Walker’s fifth principal is currently in her second year at the school. With a reorganization that coincides with the start of her tenure, an assistant principal position was also established as a second school leader. The school’s 2009-10 decline in performance in English language arts and mathematics may be attributable to some extent to the transition. Notwithstanding the lower achievement, the new team does provide strong instructional leadership. Under its guidance a number of systems have been introduced into the school’s educational program that had not existed before. At the time of the renewal inspection visit, however, many of these new systems were not fully implemented and their effectiveness could not yet be determined.

School leaders instill high expectations for teacher performance and student achievement. Sustained and systematic support is provided to novice or struggling teachers by regularly observing them and providing ongoing resources and guidance. In contrast to the early years of the charter period, the school has begun to implement a systematic teacher evaluation system that is used identify teachers’ strengths and weaknesses. Teachers are held accountable for quality instruction and student achievement. Through student assessment data, the school leaders monitor and evaluate the academic program.

Sisulu-Walker has a system to gather assessment and evaluation results and uses it to improve instructional effectiveness and student learning. The school regularly administers assessments aligned to the school’s curriculum and state standards.

Recently, teacher grade-level data teams have begun to act independently in identifying gaps and trends in assessment data in order to adjust instruction and target remedial assistance. The school follows clear policies and procedures for the use of student performance data. Student and school performance results are regularly shared with parents.

With limited evidence during the Institute's inspection visits of teacher understanding of standards-based instruction and with few curriculum documents to guide and pace lesson planning, Sisulu-Walker is only now beginning to define its curriculum. A curriculum framework is in the initial stages of development and still lacks vertical alignment. Teachers have a general sense of what to teach in each subject and when to teach it and they are developing additional guidance as the current year progresses. The school has adequate instructional materials. Sisulu-Walker has an emerging process for reviewing and revising its curriculum framework and resources but its effectiveness has yet to be determined. While the Institute noted the absence of a writing program during previous inspection visits, the school is now establishing a comprehensive school-wide writing program that is imbedded in each subject.

Sisulu-Walker's quality of instruction has varied. During the charter period, teachers have generally planned and implemented purposeful lessons with objectives aligned to standards, as represented by commercial materials. At the time of the renewal inspection visit, students were mostly cognitively engaged in learning activities with the level of rigor and use of instructional time ranging across the school. Instruction was differentiated to meet the individual needs of students, based on teacher observation and regularly administered interim assessments. Teachers tracked the abilities and individual needs of students through individual student performance records, which noted specific interventions and strategies for that student. Identified individual needs were addressed within regular classes through frequently reconstituted small groups.

Sisulu-Walker has been effective in helping students who are struggling academically. The school uses clear procedures for identifying at-risk students in the classroom and through a pupil personnel committee using a well-articulated Response To Intervention (RTI) process, which focuses on personalized behavioral plans. Sisulu-Walker provides sufficient resources and support to meet the needs of at-risk students including drawing support from its classroom co-teaching model. The school adequately monitors at-risk student progress and success. Teachers are provided with sufficient support to help them meet the needs of these students.

During the course of the charter period, Sisulu-Walker has had a safe and generally orderly environment. At the time of the renewal inspection visit at the beginning of November, teachers were working to promote a culture of learning and scholarship with varying degrees of success. While students in upper-grade classes tended to have internalized classroom routines, a portion of students in other classes engaged in behavior that continually undermined the use of instructional time. The school has recently focused on routinizing and norming the implementation of its discipline policy. Teachers reported following clearly defined procedures for filing incident reports of serious infractions; however, classroom management practices were not uniformly followed. While classrooms generally had posted color charts to monitor daily individual behavior, as well as a class-wide group reward system, inspectors rarely saw them in use.

Throughout the charter period, Sisulu-Walker has had a comprehensive professional development program for teachers including pre-service summer sessions, monthly training workshops, grade-level team meetings and in-class coaching, and more recently common planning time and instructional modeling. The school has recently instituted the following professional development activities: upgrading teaching assistants to co-teachers who get tuition reimbursement for course work; developing a network of school-wide mentors for new teachers; and providing leadership opportunities to experienced staff through the introduction of a school leadership team.

### *Organizational Effectiveness and Viability*

Sisulu-Walker is faithful to its mission and has implemented the key design elements included in its charter. Both parents and teachers are aware of the mission and design elements. At the time of the renewal inspection visit, parents in particular reported on the school's strong commitment to middle school placement through the support of the guidance counselor and through multiple middle school fairs.

Parents/guardians and students are satisfied with Sisulu-Walker. According to its Application for Subsequent Renewal, parents and students have been highly satisfied with the school over the charter period as evidenced by high enrollment and student retention rates, and long waiting list, as well as by satisfaction surveys administered to both parents and students. The school has operated near or at full capacity, has retained a high proportion of its students from year-to-year, and continues to maintain a long waiting list. On the other hand, despite the renewal application's claims about high-attendance rates, student attendance has been below the city-wide average for elementary schools.

Based on the school's April 2010 parental survey, 84 percent of responding parents were satisfied or very satisfied with Sisulu-Walker's "overall school culture and environment" and 79 percent were satisfied or very satisfied with "my child's academic progress." To the extent that only 19 percent of the parents responded, little can be inferred from the survey about the satisfaction of *all* parents in the school. On the other hand, based on limited evidence, parents reported in an interview conducted at the time of the renewal visit that they were satisfied with the school for the following reasons: the school's intimate environment and personal touch, and its advanced curriculum and extra help provided to struggling students. Parents believed that teachers are always willing to talk to them and keep them well informed. They reported being welcome in the school building and being able to voice any concerns to the administration with the confidence that issues will be addressed in a timely manner.

Sisulu-Walker has maintained adequate student enrollment over the course of the charter period and has effective procedures for recruiting new students to the school. The school has been increasing its community outreach efforts to extend its relationship with the local community in an effort to inform families about services that are offered through the New York City Department of Health and Mental Hygiene, as well as identify possible mentoring opportunities.

Sisulu-Walker has established a well-functioning organizational structure with staff, systems, and procedures that allow the school to carry out its academic program. Day-

to-day operations are competently managed. Overall, the school's organizational structures support distinct lines of accountability with clearly defined roles and responsibilities. Until the current year, the school has experienced high staff turnover, which has inhibited the establishment of a critical mass of experienced teachers that can sustain and enhance the school's educational program. As a result, throughout the charter period, the school leadership has had to continue to address the demands of developing a novice teaching staff.

Sisulu-Walker's board of trustees has instituted structures and procedures to provide rigorous oversight of the school. The board is stable to the extent that a core group has been involved since the school's inception. The school board maintains a broad range of skills and experience including education, finance, development and management. The board is organized into legal, academic, finance, fundraising, development, cultural enrichment, and real estate committees, which generally hold regular monthly meetings and link to corresponding functional areas at Victory Schools Inc. ("VSI"), Sisulu-Walker's for-profit educational service provider.

The school board has overseen VSI's process for hiring school leaders and has ensured that the current leader meets its expectations to communicate effectively to parents, teachers and students its vision for the school to become "an iconic institution." At the beginning of the 2009-10 school year, in addition to hiring a new principal, the board created the position of assistant principal in order to increase the administration's scope of responsibilities as a means of improving the overall academic program.

In general the school board's decision-making process consists of the school administration making recommendations to the academic committee, which then presents its proposals to the entire board, making certain that the board as a whole and VSI do not get involved in the operational details of the educational program. With the information provided by the principal and business manager, VSI prepares bi-monthly dashboard reports on school performance operational indicators for it, as well as a streamlined version for parents through the Parent Organization ("PO"). Through its academic committee, the board has established an effective system for evaluating the school leader based on an evaluation initially conducted by VSI's regional coordinator.

In order to improve the lines of communication with parents, the school board has created an *ex officio* position on the board for the PO President. The board has also supported the position of an ombudsman who is available at each PO meeting to advise parents and provide information on parent concerns to the board. It has also informed parents about the school's grievance process. To encourage parent attendance at board meetings it offers special events on the same evening and makes the school's budget readily available to parents.

In response to an allegation of corporal punishment, the school board effectively oversaw both an internal and external independent investigation, both of which determined that there was no merit to the allegation. However, the board used the opportunity to develop better communication with parents about how the school handles complaints.

At the time of the renewal inspection visit, the school board was fully cognizant of the decline in the school's recent performance. Given their disappointment, they reported requiring that the principal develop an action plan on how to reach Accountability Plan goals through an increased emphasis on differentiated instruction, more effective use of

assessment data and more time in classrooms. The board was also aware of the chronically high levels of teacher turnover, but believed that retention has notably improved this year.

Sisulu-Walker's board has generally and substantially abided by its by-laws and has held its meetings in accordance with the Open Meetings Law. The school board has generally avoided creating conflicts of interest where possible, and where conflicts exist, the board has managed those conflicts in a clear and transparent manner through recusal. In material respects, the school board has implemented adequate policies and procedures to ensure the effective governance and oversight of the school. In addition, the school board has made appropriate use of in-house and other legal counsel throughout the charter period.

Based on the evidence available at the time of the renewal inspection visit and throughout the current charter term, in all material respects, the school has been in general and substantial compliance with the terms of its charter, bylaws, applicable state and federal law, rules and regulations throughout the term of its charter with minor exceptions.

Following an audit from the State Education Department, the school was directed to amend its student discipline policy to include reference to due process provisions in the Education Law that are expressly not applicable to New York State charter schools. The Institute noted the discrepancy and allowed the school to revert back to its previous disciplinary due process provisions. During the charter period, the school witnessed an increase in disciplinary suspensions. After analyzing related data, the school amended its policies and procedures to ensure that teachers have additional intervention supports available in the classroom before students are removed. The school also formed an academic services committee to provide better support to teachers as well as to inform families about the school's expectations around student behavior.

### *Fiscal Soundness*

Over the course of the charter period, Sisulu-Walker has created realistic budgets that are monitored and adjusted when appropriate. Annual budgets are developed as a collaborative effort between VSI's chief financial officer and director of accounting with appropriate input from the school's business manager, principal, key staff and members of the school board. Budget variances are routinely analyzed by both VSI fiscal and school-based staff and material variances are discussed with the principal and the board on a regular basis. The school has consistently taken a strategic look at spending trends and staffing needs in the development of its budget.

The school has adopted VSI's written fiscal policies and procedures related to external and internal compliance for cash disbursements, cash receipts, bank reconciliations, payroll, fixed assets, grants/contributions, and the preparation of financial statements. Transactions have been accurately recorded and appropriately documented in accordance with management's direction. The school's business manager, along with assistance from the VSI fiscal staff, work with the school's principal, management team and the board to ensure that the policies and procedures are documented and followed by school staff. The school's Fiscal Year (FY) 2009-10 audit report of internal controls—related to financial reporting and compliance with laws, regulations and grants—



disclosed no material weaknesses, or instances of non-compliance. The lack of other deficiencies in the reports provides some, but not absolute, assurance that the school has maintained adequate internal controls and procedures.

The school has complied with financial reporting requirements during the charter period. Budget, quarterly and annual financial statement audit reports were filed in a timely, accurate and complete manner. Each of the school's annual financial audits indicate that the reports followed and were conducted in accordance with generally accepted accounting principles and received an unqualified opinion, indicating that, in the auditor's opinion, the school's financial statements and notes fairly represent, in all material respects, the school's financial position, changes in net assets, and cash flows. The school board reviews and approves the annual financial audit report, as well as various monthly and quarterly reports.

Sisulu-Walker has maintained adequate financial resources to ensure stable operations and has monitored and successfully managed cash flow. The school completed the FY 2009-10 school year in stable financial condition despite a slight decrease in cash reserves and net assets. The school experienced increases in these areas during previous years that offset the decreases in 2009-10. Decreases in both areas were a result of increased personnel compensation and a greater expense incurred by the after school program in 2009-10. The school has taken appropriate action to remedy both issues and does not expect the negative trend to continue.

As illustrated by the school's fiscal dashboard,<sup>9</sup> it has averaged a "fiscally strong" financial-responsibility-composite score rating over the current charter term, indicating a consistent level of fiscal stability. The composite score assists in measuring the financial health of a school using a blended score that measures the school's performances on key financial indicators. The blended score allows a school's sources of financial strength to offset areas of financial weakness. In addition, the school has averaged a "medium risk/good" working-capital-ratio which indicates that it generally has had enough short term assets to cover immediate liabilities/short-term debt. The school has also averaged a "medium risk/good" debt-to-asset ratio which identifies the proportion of debt the school has relative to its assets. The school has no short or long-term debt. Finally, the school has averaged a "high risk/poor" months-of-cash ratio, demonstrating it has had less than the suggested three months of annual expenses in reserves. The school has no major investments and all cash is left in savings and/or money market accounts to ensure the school has sufficient cash available to pay current bills and other payables that are shortly due.

Sisulu-Walker has averaged slightly over 90 percent of all expenses being allocated to educational program services over the current charter term. Per-pupil expenses have exceeded revenue three out of the last five years at an average of \$100 per student per year. This indicates that the school has struggled in following through with an adequate operational plan on a year-to-year basis. This negative trend, however, can again be attributed to increased personnel and program expenses.

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<sup>9</sup> The Institute's Fiscal Dashboard, which provides a detailed financial analysis of each school authorized by the SUNY Trustees, is available at: <http://www.newyorkcharters.org/FiscalDashboard.htm>. A memo explaining the metrics used within the dashboard is also available at that web address.

Based on all of the foregoing the school has demonstrated fiscal soundness over the course of its charter term.

#### *Plans for the Next Charter Period*

The school has provided all of the key structural elements for a new school charter. They are deemed to be reasonable, feasible and achievable. The school intends to continue to use the following mission statement for the term of the renewal charter:

*The mission of The Sisulu-Walker Charter School of Harlem is to prepare K-5 students living in and around Central Harlem for matriculation to outstanding public, private and parochial middle and high schools by nurturing their intellectual, emotional, artistic and social development. The school will accomplish this by offering a rigorous and challenging academic curricula taught by a highly-prepared and committed cadre of professional educators. Beginning in kindergarten, we will aim towards preparing our students for college and a lifetime of achievement, honor and service. Sisulu-Walker will achieve this in a small and supportive learning environment that sets high expectations for all of our students and encourages strong parental and community involvement.*

The school's board of trustees intends to maintain its relationship with VSI for management services including implementation of the academic program, curriculum and assessment systems, professional development, as well as fiscal and operational management.

The school would continue providing instruction to students in Kindergarten through 5<sup>th</sup> grade. Projected enrollment in each of the five years within the proposed charter period would be 270 students with the school offering a minimum of 180 days of instruction each year, generally consistent with the calendar used by the New York City Department of Education. The school day would last from 8:00 a.m. to 4:00 p.m.

The school does not propose to make significant changes to its educational program, but rather would continue to enhance programs already in place. The following proposed key design elements for the next charter period would be included: a commitment to having all student meet common core state standards; a lead teacher and co-teacher model in every classroom; an emphasis on English language arts and mathematics; an afterschool program and Saturday academy; a balanced literacy curriculum; Scott Foresman math program in Kindergarten through 2<sup>nd</sup> grade and Everyday Math in 3<sup>rd</sup> through 5<sup>th</sup> grade; comprehensive and rigorous student assessment programs; strong parental involvement; and a commitment to providing services for students with disabilities and English language learners.

The school would maintain its current organizational structure, instituted during the 2009-10 school year. In particular, the principal would serve as the chief school official and instructional leader, assisted by an assistant principal and a business manager. Members of the current board of trustees expressed an interest to continue their service to the school. The school board would maintain its existing committee structure to carry out its responsibilities. Finally, while Sisulu-Walker intends to remain in its current facility for the immediate future, it also plans to explore options for acquiring a new facility during the next charter period. If a suitable new facility is located and secured, the school may seek a charter revision to increase student enrollment.

The school has presented a reasonable and appropriate fiscal plan for the term of the next charter including adequate budgets, that is likely achievable. The school has taken a very conservative and strategic approach to budgeting and planning for the next charter period. Due to state deficit problems, and the uncertainty of per pupil funding, the school has developed a working budget that uses the 2009-10 funding levels as a starting point remaining flat throughout the charter term. The plan projects a minor operating and cash flow deficit in each year that will be offset by current cash reserves. The school developed this operating plan to demonstrate it can continue its operations over the next five years under the most dramatic of circumstances.

Plans are contingent on the school continuing to meet the enrollment goals that it has historically been able to meet. Long-range fiscal projections are more susceptible to error than those for a single year. Such projections are subject to revision due to changes in local conditions, objectives, laws and state funding. The school will be required to continually develop and adopt annual budgets based on known per pupil amounts for the districts from which it draws enrollment.

It should be noted that the 2010-11 per-pupil rate for the school's primary district, New York City, is 8.7 percent higher than the 2009-10 rate. The school has chosen to use the 2009-10 per pupil amount as a starting point as there is still uncertainty about whether or not the 2010-11 per-pupil rate will be reduced. If the 2010-11 rate does indeed remain in effect it will only benefit the school further. The increased revenues from the 2010-11 rate, even remaining flat over the next five years, would eliminate any deficit the school would experience on a year-to-year basis and generate surpluses each year which would further strengthen the school's fiscal stability.

Critical financial needs of the school may be affected by the potential recognition of a union to represent its teachers and the need for the school to find and purchase its own facility. As of the date of this report, attorneys representing the school have concluded that correspondence coming from the staff and presented to the school's board was neither a showing of interest under the Public Employee Relations Board's Rules of Procedure nor a request for recognition. The school board indicated that both issues are manageable and that they fully expect to overcome related challenges.

To the extent that Sisulu-Walker has achieved its key academic goals, continues to implement an educational program that supports achieving those goals, operates an effective and viable organization, and is fiscally sound, its plans to continue to implement the educational program as proposed during the next charter period are reasonable, feasible and achievable.