AGENDA ITEM: NEW CHARTER APPLICATION – TUCSON COUNTRY DAY SCHOOL

Tucson Country Day School, Inc. submitted a complete new charter application package to serve grades K through 8 for the Board's consideration. The application package meets the scoring requirements set by the Board for the 2015-2016 application cycle.

REPORT SUMMARY

Applicant Name: Tucson Country Day School, Inc.

Authorized Representative Name: Richard Cooper

Proposed School Name: Tucson Country Day School

Proposed School Location: In the existing facility located at 9239 E. Wrightstown Road, in East Tucson

Mission Statement

Tucson Country Day School is dedicated to providing an educational environment where children, regardless of race, nationality or creed, can grow and learn in an atmosphere of respect and understanding. We strive to develop the unique qualities of each child through positive reinforcement, research-based instructional practices, exposure to comprehensive, relevant curriculum, and experiences that inspire each student to view himself as a successful learner.

Target Population

Tucson Country Day School (TCSD) is currently serving students in east and northeast Tucson, between Craycroft on the west, Rincon Mountains on the east, Vail on the south, and the Catalina Mountains on the north. The student population generally lives within 10 to 15 miles of TCDS. The target population of TCDS is "parents looking for a school that cares about their child as the individual he or she is and a school that wholeheartedly believes their child has value." TCDS welcomes all students, without regard to their socioeconomic status, their race or religion, their academic abilities, or their disabilities.

Student Count

Year	Grades Served	# of Students
1	K-8	762
2	K-8	762
3	K-8	762

School Calendar
Standard, 180 days

Target Start Date
August 6, 2015

Application Package Scoring

	Preliminary TRP Scores		Revised TRP Scores	
Any **Falls Below the Expectations** ratings?	No		No	
Any section in which more than one evaluation area scored **Approaches**?	Yes		No	
		Percent Meets		Percent Meets
Educational Plan Score ≥ 95% Meet standard?	No	67%	Yes	95%
Operational Plan Score ≥ 95% Meet standard?	No	92%	Yes	100%
Business Plan Score ≥ 95% Meet standard?	No	82%	Yes	100%

The Technical Review Panel (TRP) provided the Applicant with written technical assistance based on its reviews of the preliminary and revised written application packages prior to the in-person interview.

In-Person Interview Summary

During the in-person interview the Applicant responded to the questions regarding the submitted (Educational, Operational, Business) Plan.

The capacity interview included the original school's founder, chief operating officer, early childhood director, and school principal. The interview began with the Applicant explaining how the current Tucson Country Day School (TCDS) charter began and how it currently operates (interview part 1, 6:13).

The Applicant sufficiently addressed all of the TRP's questions, articulating a commitment to ensuring the program of instruction meets the needs of the target population. When questioned regarding the school's current academic performance, the Applicant provided details regarding intervention programming, including the Success Maker program and professional development focused on student engagement and academic rigor (interview, part 1, 16:28). The Applicant demonstrated a thorough understanding of the program of instruction and alignment with the PMP, including a detailed process of curriculum mapping, lesson planning, and curriculum specialists continuously reviewing alignment.

The Applicant also responded to concerns regarding teacher compensation, noting that the current base teacher salary of $31,000 is competitive with the local school district, though the ability to compensate experienced teachers for only four prior years of experience is a challenge. The Applicant also sufficiently addressed steps taken to ensure that special education staffing remains sufficient to address the school's population of students identified with disabilities (interview, part 3, 5:10).

Qualitative Analysis Summary

The TRP finds that the application package meets the Board's criteria for substantive completeness, and the TRP recommends that the application for TCDS to be approved because it presents a sound educational plan supported by a viable business plan. The Educational Plan, Operational Plan, and Business Plan all meet the 95% threshold.

The Educational Plan met expectations in all areas, with strengths noted in the educational philosophy and PMP sections. The Applicant held a clear understanding of the target population and relevance of the proposed program of instruction. The program of instruction upholds the educational philosophy, with a curriculum design evolving through curriculum mapping and the employment of professional learning teams. The application package also describes a well-designed sequencing and organizational process including multiple instructional strategies to ensure students receive instruction through authentic and varied approaches.

The Operational Plan meets the standard for approval because the Applicant met expectations in all areas with strengths noted regarding the governing body and delineation of operational responsibilities. Although a review, via the Arizona State Board for Charter School's website, of TCSD's academic performance from 2012 to 2014 demonstrates a decline, the school has identified and implemented comprehensive strategies for improvement, including the hiring of a new school principal. Information regarding the organizational and reporting structure with respect to the responsibilities of the chief operating officer and the school principal are well detailed.

The Business Plan included a description of the Applicant's current facility, secured with a thirty-year bond: this is a noted strength. Staff currently employed with TCDS will retain their positions. The staffing plan is viable and adequate for the program of instruction and operation of the school. Salaries are set to be realistic and based on local averages. The proposed three year operating budget is realistic and viable. The budget was based on 91 percent of the projected full enrollment of 762 students in years one, two, and three. This projection is supported by historical data. The budgets are designed to ensure a minimum 2.5 percent contingency/surplus in year one, growing to a five percent contingency in year three.

A. EDUCATIONAL PLAN

The following summary was created from excerpts and summaries of the documents submitted for the Applicant's Educational Plan.

Plan Summary

TCDS proposes to continue operation as Tucson Country Day School, an elementary and middle school providing "something the traditional system does not or cannot provide" (A.1, p. 3). The school currently serves grades K-8 with an enrollment cap of 762 students. Class size for grades K-5 is limited to 22 students and middle school classes are limited to 26 students. The school will address the academic needs of the target population by utilizing research-based teaching practices, data-driven instruction, and the Response to Intervention model to "close the gaps in the learning of students who are identified through quarterly benchmark and online assessments as falling far below the standards or approaching the standards." To address what the Applicant described as "a concern with (academic performance scores) not reaching levels expected," the school will employ subject area professional learning teams for curriculum development beginning with standards and results through curriculum mapping, along with a bimonthly process of curriculum assessment with coordinators (A.3, p. 1.) The Applicant has differentiated content into the three categories of "foundational, essential, and nice to know" with a goal, "for all regular education students to master the essential content at the target rigor level."

PMP

The Performance Management Plan (PMP) for new Applicants is a continuous school improvement plan that ensures the Applicant is ready to implement systems for meeting the Board's academic performance expectations.

The Applicant submitted a PMP that met the criteria in all areas for both Reading and Math.

Curriculum Samples

Curriculum samples were provided for grades K through 8. The table below indicates which curriculum samples in the revised application package met all Board requirements (+), and which had deficiencies (-). Details for areas that did not meet the standard can be found in the attached Scoring Rubric.

Grade	Math	Reading	Writing	Science
K	+	+	+	
1	+	+	+	
2	-	+	+	
3	+	+	+	
4	-	+	+	+
5	+	+	+	
6	-	+	-	
7	+	+	+	
8	+	+	+	+

Educational Plan Findings

	Preliminary TRP Scores		Revised TRP Scores	
Educational Plan Score ≥ 95% Meet standard?	No	53 of 79	Yes	75 of 79
Number of "Falls Below" ratings	0		0	
Number of "Approaches" ratings	26		4	

Analysis of Educational Plan

The Educational Plan meets the standard for approval because the Applicant met expectations in all areas, with strengths noted in the educational philosophy and performance management plan. The Applicant demonstrated a clear understanding of the target population, including an analysis of the student populations within neighboring schools. The student population is characterized as, "generally middle-class and somewhat racially diverse." The Applicant provided thorough rationale supporting the relevance of the program of instruction for the target population (A.3, p. 4). Additional confirmation of the Applicant's understanding of the target population was noted during the capacity interview.

The detailed educational philosophy is well prepared and focuses on the utilization of research-based teaching practices, data-driven instruction, and the Response to Intervention model. Additional confirmation of the Applicant's commitment to these practices was evident during the interview.

The program of instruction does an effective job supporting the educational philosophy by utilizing professional learning teams and a curriculum mapping process. Content is differentiated into three categories with essential knowledge specified by the Arizona College and Career Ready Standards. The Applicant presents a well-designed sequencing and organizational process, as well as a detailed process for monitoring curriculum planning and implementation of curriculum (A.3, p. 2). The application package included multiple instructional strategies to ensure students would receive instruction through authentic and varied approaches. During the interview, the Applicant clarified the ongoing review of instruction, and analysis of student data led by curriculum specialists, the principal, and chief operating officer. A solid PMP details how TCDS will develop, implement, and support a curriculum and instructional program that ensures high and growing student performance. The Applicant identified the importance of the curriculum mapping process and ongoing review of instruction aligned with standards.

B. OPERATIONAL PLAN

The following summary was created from excerpts and summaries of the documents submitted for the Applicant's Operational Plan.

Plan Summary

Tucson Country Day School is a non-profit corporation, located in Tucson, AZ, that was created on August 30, 1999 for the purpose of operating a charter school with three Directors: Richard Cooper (took office 10/28/1999), Cindy Kappler (took office 7/1/2013) and Mark Saliba (took office 11/1/2008).

The corporate board will serve as the school governing body. The school governing body will be responsible for mission alignment, academic oversight, recruitment and orientation of members, financial oversight, policy development, legal compliance, oversight of the school administration, and public promotion.

The table below delineates the composition of the school governing body as described in the narrative:

School Governing Body Member Type	Number	Name
School Staff/Organizational Principal	3	Richard Cooper, Cynthia Kappler, Mark Saliba

Principal Background Information

Authorized Representative and Principal: *Richard Cooper*
Confirmed Education History: Master of Science from the College of Education, University of Bridgeport, 1965
Confirmed Employment History: President/CEO/Founder, Tucson Country Day School, August 1968 – present
Arizona FCC Expires: September 29, 2017
Current or Past Charter Affiliations[1]: Tucson Country Day School

[1] *In this section, "Current or Past Charter Affiliations" refers to a leadership or decision-making role in an existing charter school operation, such as charter representative, charter principal, or school site leader.*

Principal Name: *Cynthia Kappler*
Confirmed Education History: Master of Arts in Political Science, Rutgers University, 1987
Confirmed Employment History: Chief Operations Officer, Tucson Country Day School, July 2014 – present; CoPrincipal, July 2013 – June 2014; Assistant Principal, October 2008 – June 2013
Arizona FCC Expires: May 7, 2016
Current or Past Charter Affiliations[1]: Tucson Country Day School

Principal Name: *Mark Saliba*
Confirmed Education History: Doctor of Education in Educational Leadership, University of Arizona, 2007
Confirmed Employment History: Principal, Tucson Country Day School, December 2008 to 2014
Arizona FCC Expires: March 7, 2017
Current or Past Charter Affiliations[1]: Tucson Country Day School

Operational Plan Findings

	Preliminary TRP Scores		Revised TRP Scores	
Operational Plan Score ≥ 95% Meet standard?	No	23 of 25	Yes	25 of 25
Number of "Falls Below" ratings	0		0	
Number of "Approaches" ratings	2		0	

Analysis of Operational Plan

The Operational Plan meets the standard for approval because the Applicant met expectations in all areas, with strengths noted regarding the governing body and delineation of operational responsibilities.

The Applicant details the organizational history of TCDS and the school, including the growth of the school's enrollment from 43 students to 670 students over the course of the past 14 years. The Applicant notes the school's "solid reputation" in the Tucson community. During the capacity interview, the school's Chief Operations Officer (COO) acknowledged the decline in academic performance from 2012 to 2014 and described comprehensive strategies for improvement, including the hiring of a new school principal (interview, part 1, 16:28).

The Applicant clearly identified the appropriate board responsibilities of mission alignment, academic oversight, board effectiveness and succession planning, financial oversight, policy development and legal compliance, oversight of the directors, and public promotion. The TRP noted the commitment to board expansion, including presentation in the application package of three individuals under consideration for seats on the board (B.2, p. 3).

The application package clearly presents the organizational and reporting structure regarding the responsibilities of the COO and the school principal. The oversight of the administrative office, resource department, professional development, students, and parents are noted as joint areas of responsibility. A new school principal, Deborah Anders, began employment at Tucson Country Day School in July 2014. Dr. Anders's extensive educational background and experience were notable assets to the applicant during the interview (interview, part 2, 1:30).

The Applicant identifies contracted services in the areas of financial consulting, legal, auditing, food preparation, and special education. Each service provider is presented with clear and appropriate delineation of roles, critical skills, and qualifications (B.3.2, pp. 1-5). The costs of the contracted services correlate directly to the budget assumptions presented in the application package.

C. BUSINESS PLAN

The following summary was created from excerpts and summaries of the documents submitted for the Applicant's Business Plan.

Plan Summary

The Applicant reserves $5,000 in the budget each year for student recruitment and advertising, and indicates that word of mouth as the primary vehicle of advertisement. Enrollment numbers provided to the State confirm steady enrollment year to year.

It is the intention of the Applicant that current staff will continue employment with TCDS. The school currently employs 29 classroom teachers and seven specialists. In addition, the school employs three administrative support personnel, a counselor, two technology employees, and ten special education personnel.

Facility Information

Proposed School Name:	Tucson Country Day School
Proposed Location:	Tucson Country Day School will occupy the existing school facility located at 9239 E. Wrightstown Road, Tucson, Arizona.
Facilities Requirements:	The ten-acre campus of Tucson Country Day School includes indoor space totaling 43,450 square feet. The facility includes 34 classrooms, a special education department, two computer labs, administrative and multi-purpose space, two swimming pools, and additional recreation space.

The facility is currently owned by Tucson Country Day School and has all required permits and a certificate of occupancy. A 30-year bond secures the property. The bond is currently in year seven.

Budget Summary

The start-up budget assumes no start-up revenue and no expenses for start-up as the school will continue operations. The Applicant projects an ending balance increase from 2.5 to 5 percent over the course of three years.

The table below presents a summary of the budget by year:

	Startup Period	Year 1	Year 2	Year 3
Projected Full Enrollment:	N/A	762	762	762
# Students Budget Based On:	N/A	695 (91%)	695 (91%)	695 (91%)
Total Revenue:	N/A	$ 3,697,955	$ 3,697,655	$ 3,697,655
Total Expenditures:	N/A	$ 3,608,425	$ 3,633,535	$ 3,658,896
Ending Balance:	N/A	$ 89,530	$ 153,950	$ 193,009

Business Plan Findings

	Preliminary TRP Scores		Revised TRP Scores	
Business Plan Score ≥ 95% Meet standard?	No	23 of 28	Yes	28 of 28
Number of "Falls Below" ratings	0		0	
Number of "Approaches" ratings	5		0	

Analysis of Business Plan

The Business Plan meets the standard for approval because the Applicant met expectations in all areas. The current facility, secured with a 30-year bond, is a noted strength (C.1, p. 2). The facility has sufficient square footage and offers multiple resources, including two swimming pools and athletic fields.

Presentation of marketing and recruitment strategies were brief; however, the application package supports limited need for recruitment based on the school's history and steady enrollment over time. The application package evidences appropriate practices for budgeting, basing decisions on historical data.

The Applicant provides sufficient detail regarding their hiring practices, including a rigorous day-long interview process (C.3, p. 1). The staffing plan is viable and adequate for the program of instruction and operation of the school. Salaries are realistic and based on local averages and teachers are eligible to receive additional compensation for up to four years of prior experience. During the capacity interview, the Applicant noted offering up to an additional $2,000 to experienced teachers.

The three year operating budget is realistic and viable and addresses the evaluation criteria. The budget was based on 91 percent of the projected full enrollment of 762 students in years one, two, and three. The budget is designed to ensure a minimum 2.5 percent contingency/surplus in year one growing to a five percent contingency in year three. The Applicant provided additional detail regarding special education expenses during the In-Person Interview.

EVIDENCE OF CAPACITY

Applicant Summary

The table below describes the participation of the Applicant in the In-Person Interview:

Name	Role	Attended Interview?
Richard Cooper	Authorized Representative/ Corporate Principal, President/CEO/Founder	Yes
Cindy Kappler	Corporate Principal, Chief Operating Officer	Yes
Mark Saliba	Corporate Principal	No
Deborah Anders	School Principal	Yes (by phone)
Wanda Vinson	Early Childhood Director	Yes

Analysis of Applicant Capacity

The TRP finds that the Applicant has the range of knowledge, skills, and experience to continue with the operation of Tucson Country Day School. The governing body brings considerable experience with the governance and management of TCDS. The newly appointed school principal, Deborah Anders, brings over 30 years of experience in education and demonstrated in the interview a comprehensive plan for addressing current academic performance shortcomings.

The Applicant intends for current staff to stay with TCDS, which will limit hiring needs in start-up. The Applicant provides sufficient detail regarding their hiring practices, including a rigorous day-long interview process. The budget provided in the application package assumes teachers will have an average salary of $31,000, and experienced teachers receive an additional $500 per year for up to four years prior experience. The TRP raised questions regarding salaries during the interview, for which the Applicant provided sufficient information regarding their ability to recruit and hire quality educators.

The success of TCDS will hinge on their ability to address the decline in student academic performance since 2012. The Applicant provided evidence of capacity to sufficiently address these concerns, particularly with the hiring of the new principal. Other strategies identified to support and develop staff capacity include the use of subject area professional learning teams for curriculum mapping along with a bimonthly process of curriculum assessment with coordinators. The responses provided during the interview convinced the TRP that the governing body and school leadership are passionate and dedicated to this school and that sufficient evidence of capacity exists to recommend approval.

ADDITIONAL INFORMATION

Additional data is included below to provide information related to the Applicant's principals' experience, qualifications, and current and prior charter compliance as an indicator of the Applicant's ability to implement a charter or operate a charter school.

Academic Performance

Based on the academic dashboards below for fiscal years 2013 and 2014, the Charter Holder does not meet the Board's academic performance expectations.

Tucson Country Day School

		2012 Traditional Elementary School (K-8)			2013 Traditional Elementary School (K to 8)			2014 Traditional Elementary School (K to 8)		
1. Growth		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
1a. SGP	Math	48	50	12.5	44	50	12.5	36	50	12.5
	Reading	48	50	12.5	48	50	12.5	42	50	12.5
1b. SGP Bottom 25%	Math	47.5	50	12.5	44	50	12.5	42	50	12.5
	Reading	50	75	12.5	40.5	50	12.5	46	50	12.5
2. Proficiency		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
2a. Percent Passing	Math	76 / 63.8	75	7.5	76.4 / 63.6	75	7.5	68.8 / 63.3	75	7.5
	Reading	87 / 77.6	75	7.5	87.4 / 78	75	7.5	87 / 78.3	75	7.5
2b. Composite School Comparison	Math	6.3	75	7.5	1	75	7.5	-7.1	50	7.5
	Reading	4.5	75	7.5	0	75	7.5	-1.1	50	7.5
2c. Subgroup ELL	Math	NR	0	0	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0	NR	0	0
2c. Subgroup FRL	Math	NR	0	0	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0	NR	0	0
2c. Subgroup SPED	Math	48 / 26.7	75	7.5	41.3 / 26.2	75	7.5	50 / 25.4	75	7.5
	Reading	52 / 37.6	75	7.5	45.7 / 37.5	75	7.5	61.5 / 38.4	75	7.5
3. State Accountability		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
3a. State Accountability		B	75	5	B	75	5	B	75	5
Overall Rating		Overall Rating			Overall Rating			Overall Rating		
Scoring for Overall Rating 89 or higher: Exceeds Standard <89, but > or = to 63: Meets Standard <63, but > or = to 39: Does Not Meet Standard Less than 39: Falls Far Below Standard		65.62		100	62.5		100	58.75		100

Operational Performance

Does the delivery of the education program and operation reflect the essential terms of the educational program as described in the charter contract?

Yes. Based on the available information in the current fiscal year, the Charter Holder's education program, in operation, reflects the essential terms as described in the charter contract.

Does the Charter Holder adhere with applicable education requirements defined in state and federal law?

Yes. Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to education requirements.

Do the Charter Holder's annual audit reporting packages reflect sound operations?

Yes. As reported in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to the fiscal year 2014 annual audit reporting package.

Is the Charter Holder administering student admission and attendance appropriately?

Yes. Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to administering student admission and attendance.

Is the Charter Holder maintaining a safe environment consistent with state and local requirements?

Yes. Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to maintaining a safe environment.

Is the Charter Holder transparent in its operations?

Yes. Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to transparency of operations.

Is the Charter Holder complying with its obligations to the Board?

Yes. Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to its obligations to the Board.

Is the Charter Holder complying with reporting requirements of other entities to which the Charter Holder is accountable?

Yes. Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to operational requirements monitored by other entities to which the Charter Holder is accountable.

Is the Charter Holder complying with all other obligations?

Yes. Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to all other obligations.

Financial Performance

Based on the fiscal year 2014 audit, Tucson Country Day School, Inc. does not meet the Board's financial performance standard. The table below includes the Charter Holder's financial data and financial performance for fiscal year 2014. For fiscal year 2013, the submitted audit reporting packages included only the charter school operations while the fiscal year 2014 audit included all of the charter holder's operations. Because of the two different financial statement presentations, Board staff was unable to determine whether the Charter Holder met the Board's financial performance expectations using the two most recent audit reporting packages.

Tucson Country Day School, Inc.

Financial Data				
	2014	2013	2012	
Statement of Financial Position				2011
Cash	$356,581	$416,712		
Unrestricted Cash	$345,555			
Other Liquidity	$100,000			
Total Assets	$5,451,880			
Total Liabilities	$5,800,158			
Current Portion of Long-Term Debt & Capital Leases	$130,000			
Net Assets	($348,278)			
Statement of Activities				
Revenue	$5,342,482			
Expenses	$5,462,313			
Net Income	($119,831)			
Change in Net Assets	($119,831)			
Financial Statements or Notes				
Depreciation & Amortization Expense	$193,420			
Interest Expense	$287,100			
Lease Expense	$30,500			

Financial Performance				
	2014	2013	2012	3-yr Cumulative
Near-Term Indicators				
Going Concern	No			
Unrestricted Days Liquidity	29.77			
Default	No			
Sustainability Indicators				
Net Income	($119,831)			
Cash Flow	($60,131)			
Fixed Charge Coverage Ratio	0.87			

BOARD OPTIONS

Option 1: The Board may approve the application package. Staff recommends the following language for consideration: Based upon review of the contents of the portfolio provided for this Applicant and the information provided by the representatives of the Applicant during consideration, and given it is within the sole discretion of the Board to approve or deny a charter, I move to approve the application package and grant a charter to Tucson Country Day School to establish Tucson Country Day School charter school to serve grades K through 8.

Option 2: The Board may deny the application package. The following language is provided for consideration: Based upon a review of the contents of the portfolio provided for this Applicant and the information provided by the representatives of the Applicant during consideration, and given it is within the sole discretion of the Board to approve or deny a charter, I move to reject the application package and deny the request for a charter of Tucson Country Day School, Inc. to establish a charter school for the reason(s) that its application failed to meet the requirements of Title 15, Chapter 1, Article 8 due to: (specific statement made by the Applicant during Board consideration).