



OFFICE OF CHARTER SCHOOLS

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February 1, 2010

Mr. Don Willis, President  
Board of Directors  
Imagine MASTER Academy  
2000 North Wells Street  
Fort Wayne, Indiana 46808

Dear Mr. Willis:

In my letter of November 25, 2009, I informed you that the Office of Charter Schools ("OCS") of Ball State University ("University") was conducting an inquiry into the governance procedures of the Imagine MASTER Academy (the "School") board of directors (the "Board"). In that letter, I stated that my office was going to meet with and interview each board member individually. As of today, six of the seven board members listed as serving on the Imagine MASTER Academy board have been interviewed. A seventh, Mr. Joe Jordan, did not respond until January 29, 2010, to any of our six (6) attempts to contact him by e-mail or telephone. Because Mr. Jordan did not respond for more than one month after he was initially contacted and had only recently become a Board member, we have concluded the inquiry without interviewing Mr. Jordan.

To date, the Board has not completed the initial training session with Dr. Brian Carpenter in response to my letter to you dated November 9, 2009. We are disappointed that the Board has not participated in the required training. We did not agree with your request during your interview on December 16 that the Board be trained in the same session as the boards of directors of the entities commonly known as Imagine Schools at Broadway and Imagine Bridge Academy. I informed you of our lack of agreement on December 16th, and both Dean Jacobson and I informed you of our lack of agreement again when you met with us in his office on January 14. OCS has concluded that separate training for each board is critical. Even though there are individuals that serve on more than one of the Imagine school boards in Ft. Wayne, we want to emphasize with those individuals that there is a separate board for each Imagine-affiliated school. Unless the Board separately undergoes the training by Dr. Carpenter, the Board will be considered noncompliant with the preliminary corrective action of which the Board was notified last November.

The interviews with the six (6) Board members have revealed a number of significant concerns about the Board members' understanding of their duties and responsibilities regarding governance practices, the state laws governing charter schools, the charter requirements, and their legal accountability and

fiduciary duty to the School. Consequently, the need for formal board training has become even more evident. Outlined below are concerns previously raised and now confirmed as a result of the interviews, as well as additional issues raised as a result of the interviews:

1) There was not a common or correct understanding among the Board members of the role of the Board in the responsible oversight and governance of the School. Moreover, Board members were not clear on the role of the Education Management Organization (Imagine Schools, Inc.) or how the Board was to interact with that company.

2) Several Board members have not read the charter contract between the Board and Ball State University and therefore could not articulate the responsibilities of the Board to the University as the School's charter sponsor. As the charter contains the statutory requirements imposed by the state of Indiana, this lack of understanding indicates that several Board members are woefully uninformed as it concerns the Board's statutory responsibilities as imposed by the state.

3) Several Board members had not read the contract between Imagine Schools, Inc. (the "EMO") and the Board and therefore did not know the specific responsibilities of the EMO, or the responsibilities and rights of the Board as outlined in the contract. This lack of knowledge leaves those Board members ill prepared to make governing decisions involving the EMO vis-à-vis the School.

4) Several Board members had not read the bylaws of the School and did not know the length of their terms as Board members. You indicated during your interview on December 16, 2009 that your term on the Board ends in March 2010 but you did not respond to written follow up requests from my office to confirm the specific ending dates of your term and those of other members of the Board. Board members could not describe any plan to replace any Board members whose terms end this spring or for replacing you as the head of the Board when your term ends in March. Without reading and understanding the bylaws which govern conduct of Board members, it is impossible to fulfill the statutory and common law fiduciary duties that each member has to the School. Therefore, those Board members' ability to govern is significantly impaired.

5) Many Board members indicated that they did not know whether or not there are officers of the Board, other than you, and who, if anyone, fill those offices. One individual indicated that she "thought" she was the secretary of the Board, but was not certain. This lack of understanding is obviously unacceptable and indicates a serious lack of attention to matters of leadership and governance.

6) Many Board members could not verify whether there is a Board Policy Manual or whether there are committees of the Board and who might serve on any committees.

7) Several Board members indicated that they were not involved in the initial decision to share the 501(c)(3) status of Imagine MASTer Academy with two entities in Texas seeking charters. You indicated during your interview on December 16, 2009, that it was your decision to share the 501(c)(3) status with those two out of state entities and that other Board members were consulted later. This is unacceptable and has been communicated as such since March of 2009, and we have been working with the School's

counsel to remedy this situation. Your decision to undertake this action unilaterally is in breach of your fiduciary duties and in effect imposes governance duties on the Indiana entity over the two Texas entities. While not prohibited expressly as a matter of statute, OCS has determined that the action is unacceptable in that it would impose responsibilities on the School over public funds appropriated from the state of Texas as well as over the education of Texas students. These responsibilities would require those Board members to familiarize themselves with the requirements of that foreign jurisdiction. In light of the findings above that the Board members have not even fulfilled their duties in the state of Indiana, OCS finds it unlikely that they will effectively be able to fulfill their duties to the Texas entities. In any event, your undertaking this without a full, fair and open deliberation before the fact with the other Board members is a breach of your fiduciary responsibilities. Board members should be reasonably informed, participate in decisions and exercise independent judgment, and do so in good faith and that clearly was not the case with regard to the decision to lend the School's tax exempt status to the Texas entities.

8) Most Board members could not describe a benefit to Imagine MASTer Academy of sharing the 501(c)(3) status with the out of state entities and were unable to describe any risk of doing so, which suggests that the decision was not given any analysis or attention.

9) Some Board members were not clear on the identity of the attorney representing the School.

10) Most Board members could not verify either that they had participated in the Constituent Survey conducted by OCS each year or that they had seen the results of that survey.

11) Most Board members indicated they were not aware of the annual accountability meeting (School Operations Annual Report – SOAR) conducted at the School by OCS nor of the follow up letter sent to the head of the Board after the accountability meeting each year, which indicates that you, as president of the Board, again failed in your duty to keep the Board members informed of matters that affect their fiduciary duty to the School.

12) Since the board meetings of Imagine MASTER Academy, Imagine Schools at Broadway, and Imagine Bridge Academy are held sequentially on the same date, some Board members indicated they sometimes did not understand at Board meetings which topics were being discussed for which of the three schools and which members of the various boards were to participate in the various decisions. This confusion is unacceptable and represents an impairment of the Board members' ability to correctly observe Board rules of procedure and formality and to exercise their fiduciary duties.

In addition to concerns raised as a result of the interviews with individual Board members, we have been made aware of the recent opinion of the Indiana Public Access Counselor that the Board potentially violated the Indiana Open Door Law by adopting a written resolution authorizing the School to share the School's 501(c)(3) status with two entities in Texas without open deliberations during a public meeting and by manipulating the written consent process. According to minutes of the Board's meetings, the ratification of that decision was not made by the Board until a number of months after

the decision was in fact made by you. We were shocked to learn of the decision to share the School's 501(c)(3) status after the fact and only after contact by a Dallas newspaper.

Although the Board had resolved to divest itself of all of its interest in one of the two Texas entities by January 1, 2010, and the second Texas entity by July 2010, as of today's date the Board has not complied with its own resolution regarding completing divestment of its interest in the first Texas entity.

In conclusion, we find that the Board is deficient in providing satisfactory oversight of the School, correctly following the Indiana Open Door Law, and adequately fulfilling its fiduciary duties. Therefore, in keeping with the provisions of the Ball State University School Assessment and Intervention Policy, we are placing the School on Probationary Status with the following Corrective Action Plan to be satisfactorily completed by the Board within the time frames provided below:

- 1) The Board must fully participate in the Board training by Dr. Brian Carpenter. The Board must participate in a session separate from all other Imagine affiliated boards in Indiana. The initial training session with Dr. Carpenter must be completed by March 15, 2010 and the total training must be completed by July 1, 2010.
- 2) The Board must begin by March 31, 2010 replacing Board members whose terms expire with individuals who are not directors of any of the other Imagine affiliated charter schools. By October 1, 2011, none of the members of the Board may be a member of the board of directors of any other Imagine-affiliated school.
- 3) By February 15, 2010, you must provide the OCS a list of all Board members, together with, for each Board member, the date on which such Board member's current term expires.
- 4) Beginning March 31, 2010, the Board must hold public board meetings at the School's facility on dates separate from the dates on which the boards of Imagine Schools on Broadway and Imagine Bridge Academy meet.
- 5) The Board must schedule work sessions to be completed by June 30, 2010 ensuring that all then-current Board members have read the charter contract, all approved amendments, the EMO contract with Imagine Schools, Inc., and the Board's bylaws, as amended as required pursuant to Item 8, below. The agendas and schedule for the work sessions is to be provided to the OCS for approval at least thirty (30) days in advance of any session. A representative of the OCS will observe each work session.
- 6) The Board must develop and submit to OCS a Policy Manual for its own conduct by July 1, 2010.
- 7) The Board must immediately abandon all practices in which Board decisions are made outside of formal public Board meetings.
- 8) The Board must submit for review and approval to OCS by March 1, 2010 revised bylaws in full compliance with the Indiana Open Door Law. The bylaws must be approved as a result of open

deliberations during public Board meetings and shall not be effective until subsequently approved by the University. We understand that revised bylaws have been submitted and we are in the process of reviewing the submission.

- 9) The Board must submit a Board-approved five-year strategic plan draft to the OCS by March 31, 2010 and submit a final five-year strategic plan for approval by OCS by May 16, 2010.
- 10) The School must completely divest itself of all of its interest in the Texas LLCs as soon as practicable, but under no circumstance later than April 30, 2010 for the Central Texas LLC and July 1, 2010 for the North Texas LLC. Additionally, these dates shall be accelerated in the event either LLC receives public funds from the state of Texas or students are in attendance. If either event occurs, the School shall immediately divest itself of all of its interest in the LLCs in not more than five (5) business days.

In addition to the above Corrective Action Plan, we will not consider at this time the expansion of the School's educational program to serve more students or to serve additional grades until each and every corrective action is met to the satisfaction of the OCS. Once the Corrective Action Plan has been met to the satisfaction of OCS, then the School may submit its proposal for expansion to OCS for consideration.

I expect an acknowledgement of the receipt of this Corrective Action Plan within three (3) business days of today with written verification from the Board by the end of February 2010 that the Board has agreed to fully comply and meet each corrective action by the date specified above through a formal vote at a public meeting of the Board. The Board's cooperation and prompt attention to addressing these issues will be a factor in our continuing assessment of this matter.

I strongly encourage you and the board to review the Ball State University Policy for School Assessment and Intervention. Although it is available on the Office of Charter Schools Web site, I have enclosed a copy for your convenience. We have taken steps one and two of the intervention process outlined in section three of the policy. Those steps are the corrective action plan outlined herein, and notification of probationary status contained in this letter.

You will note there are two possible next steps. If the corrective actions I have outlined are met in the timeframe specified, Imagine MASTer Academy will be released from probation. Alternatively, if the expectations I have outlined are not met, a recommendation for the revocation of the Imagine MASTer Academy charter will be the next step.

Sincerely,



Larry Gabbert, Director

c: Dr. Randall B. Howard, Vice President for Business Affairs and Treasurer  
Dr. John E. Jacobson, Dean, Teachers College  
Ms. Leisa I. Julian, Associate Vice President for Business and Auxiliary Services

**Ball State University  
Office of Charter Schools  
Policy for School Assessment and Intervention  
February 4, 2009**

**I. Background Information**

**A. Intent**

The purpose of the charter school initiative in Indiana is to encourage the development of additional high quality, innovative choices in public education. Ball State University (the "University") has been a leader in this initiative from its inception and has served as a sponsor of charter schools since the 2001-02 school year.

As part of the contract between the University and its authorized charter schools, each school's organizer, board of directors and administrators have agreed to meet a number of requirements. Schools that do not meet the terms of their charter contracts or applicable federal, state and local laws are subject to corrective actions, revocation, or non-renewal of their charters when circumstances are warranted.

As the sponsor of the largest number of charter schools in the state, the University has a responsibility to monitor the schools it sponsors to ensure each is meeting the terms of its charter as well as applicable laws. The Policy for School Assessment and Intervention is intended to outline a process whereby the leaders at sponsored schools remain aware of the expectations placed on them and their school's performance relative to those expectations. With this policy, the University is also implementing a process to aid schools in identifying and correcting possible problems as early as possible.

The policy identifies specific areas critical to school success and a process for informing schools of potential problem areas. Depending on the seriousness of the problem(s) identified, multiple levels of intervention may be warranted and are set forth herein.

Through a series of steps, the University evaluates the performance of the charter schools it sponsors following an accountability process described in the "Accountability Framework." Accordingly, this policy hereby becomes a part of, and is incorporated by reference into, the Accountability Framework.

**B. Expectations for Charter Schools**

General expectations of University sponsored charter schools include:

- Increasing the achievement of enrolled students
- Financial viability
- Open enrollment
- Providing services for students with disabilities
- Providing a safe environment for learning
- Compliance with federal, state and local laws

The Indiana charter school statute (IC 20-24) requires a charter sponsor to monitor the performance of each charter school, including the school's progress toward achieving the academic goals set forth in the charter. In reviewing and assessing the performance of a school, a sponsor is required by statute to consider the following:

***Evidence of improvement in assessment measures, including the ISTEP program, and the graduation requirements, attendance rates, increased numbers for Core 40 (if appropriate), graduation rates, progress toward reaching the educational goals in the charter, and compliance with applicable law. I.C. 20-24-4-1(8).***

In August 2006, the University released a set of General Indicators of Success for Charter Schools. The primary purpose of the "Indicators" is to provide a comprehensive set of overall expectations for all charter schools sponsored by the University. The "Indicators" focus on expectations for public schools, including University sponsored charter schools. A plan for phasing in the use of those "Indicators" in evaluating proposals for new charters, monitoring the performance of approved charter schools and the charter renewal decision-making process was released at the same time the "Indicators" were released. The purpose of the plan was to allow schools that had been granted charters prior to the release of the document an opportunity to begin to adjust their operations to meet the expectations set forth in the "Indicators."

Each contract between the University and a sponsored charter school includes a provision requiring the school to annually update the academic, non-academic and organizational goals through an Accountability Plan (the "Plan"). The Plan is developed by each school using a standard format and is then submitted, reviewed, and then approved by the Office of Charter Schools. The Plan describes specific performance objectives and expected levels of performance for those objectives for each school.

On June 8, 2007, the University formally notified all charter schools of amendments to the Accountability Framework. The amendments included the incorporation of the General Indicators of Success for Charter Schools in charter applications, ongoing monitoring of charter schools, and applications for charter renewal. In addition, the Accountability Framework amendments included a statement indicating that each charter school's academic goals must take into account Adequate Yearly Progress (AYP), as well as measures set forth in the federal No Child Left Behind Act (NCLBA), as minimum accountability standards.

A five-year Strategic Plan is also required of each operating charter school to encourage all schools to engage in planning activities. Each school's annual Accountability Plan is reviewed by the Office of Charter Schools in reference to the Strategic Plan to ensure consistency between the school's long-range plans and the specific annual objectives. The Policy for School Assessment and Intervention draws specifically upon the expectations and requirement previously outlined and addressed in the "Indicators," and in each school's "Accountability Plan" and "Strategic Plan."

## **II. Monitoring School Performance**

### **A. Annual Assessment of Each Charter School**

With the adoption of the Policy for School Assessment and Intervention, the University is requiring schools that have completed one or more academic years of operation to host a meeting each fall with staff from the Office of Charter Schools to review the school's performance. The meeting will focus on several documents to be submitted to the Office of Charter Schools and will be an opportunity for the school leaders and the Office of Charter Schools to exchange information and communicate regarding the school's performance. The following documents are required for the review:

- 1) Previous year's Accountability Plan and Results
- 2) Current year's Accountability Plan
- 3) Previous year's financials
- 4) Previous year's audit
- 5) Current and prior year's budget
- 6) Current Strategic Plan
- 7) School Improvement Plan (if applicable)
- 8) Other items the school leadership desires to share

School representatives who may participate include school administrators, teachers, school board members, members of the school organizing group, and Educational Management Organization (EMO) staff. The annual meeting must be held as a public meeting if school board members are in attendance. The Director of the Office of Charter Schools and other staff from the office will attend the annual performance review meeting.

Within fifteen business days after the annual meeting at a school, the Director of the Office of Charter Schools will issue to the school's board of directors and school leader a written report about the performance of the school. The report will outline and articulate areas where the school is performing well and/or areas where concerns may have arisen.

### **B. Areas to be Examined in Annual Assessment and Intervention Decisions**

While there are a number of areas that may be used to evaluate the performance of a charter school, three areas in particular are critical to the success of any school. These three areas will serve as the focus of the School's Annual Assessment and any resulting Intervention which is deemed necessary:

Academic Achievement

Finance

Compliance

Through the assessment process, each school's performance will be measured against a set of prescribed expectations as outlined herein to determine whether the school is performing at or below expectations. When schools are performing below expectations, intervention on the part of the University may be deemed necessary as set forth in Section III. Details about these areas, the level of performance expected in each and the corresponding intervention called for when a school's performance in one or more of these areas is below expectations will be discussed further in this document and in Attachment 1.

### **C. Informal Monitoring and Periodic Review**

In addition to the Annual Assessment meeting with each school that has been in operation for at least one academic year, the Office of Charter Schools will continuously monitor the performance of each sponsored charter school throughout its operation. When a staff member from the Office of Charter Schools identifies concerns in one or more of the areas of Academic Achievement, Finance or Compliance, an informal review of the concern(s) may be conducted by the Director of the Office of Charter Schools in consultation with other staff. As a part of this informal review, the Director may contact school representatives to obtain additional information. After this informal review, the Director will determine whether the concern warrants formal action on the part of the Office of Charter Schools including Intervention as set forth below in Section III.

## **III. Intervention Process**

It is the preference of the University that school representatives take the initiative to address concerns or problems as soon as they become aware of them. A school is encouraged to take immediate remedial action to address any concern or correct any problem identified through its own observation or through observations made periodically by the Office of Charter Schools or other office of the University outside of the Annual Assessment or the informal monitoring process, thus alleviating the need for the University to intervene in a more formal manner.

### **A. Identification and Notification Process**

Formal Intervention can consist of the following steps:

- Step 1: Corrective Action Plan
- Step 2: Probationary Status
- Step 3: Recommendation for Revocation of the Charter

### **B. Academic Achievement**

In the area of **Academic Achievement** the interventions for performance that is below expectations are listed on Attachment 1 in the "Intervention Chart for Academic Achievement."

### **C. Finance and Compliance**

In the areas of **Finance** and **Compliance**, the Director of the Office of Charter Schools (the "Director") will determine whether formal action is deemed necessary. See Attachment I for outline of matters to be considered in areas of finance and compliance. The following procedures will be used when performance in Finance and/or Compliance is not satisfactory:

1) The Director will send written notice to the school leader and head of the school's board of directors about the specific concerns and, if appropriate, request additional information to determine whether the concern(s) should be remedied through a Corrective Action Plan (see Corrective Action Plan below). If after reviewing any additional information submitted by the school, the Director determines the situation warrants a Corrective Action Plan the Director will send written notification to the school leader and head of the school's board of that determination. If a Corrective Action Plan is warranted, the school will be required to submit a plan satisfactory to the Director within 30 days of the formal notification by the Director. See below for further information about Corrective Action Plans.

2) If the Director determines the seriousness of the concern(s) warrants Probationary Status (see Probationary Status below), the Director will notify the head of the school's board and school leader that the Office of Charter Schools is placing the school on Probationary Status and will outline therein the corrective steps which need be taken by the school in order to remedy the deficiency, a suggested time frame for accomplishing the remedial action, and any other necessary steps which the school needs to satisfy in order to be removed from Probationary Status. The Director will send written notification to the Dean of Teachers College when a charter school is placed on Probationary Status.

3) Upon notification to the school leader and head of the school's board of directors that a school has been placed on Probationary Status, the school may submit additional information to the Director and request that the decision to place the school on Probationary Status be reconsidered. The Director will notify the school leader and head of the school's board of directors in writing of any reconsideration of the Probationary Status. See below for further information about Probationary Status.

4) In a situation where the Director determines that a Recommendation to Revoke the Charter is warranted the Director shall notify the head of a school's board and school leader in writing and recommend revocation to the Dean of the College of Education, Provost and President. In this case, the Director will meet with school leaders to discuss appropriate actions related to the recommendation. Schools notified of a Recommendation to Close may appeal the recommendation through the Appeal Process described below.

#### **D. Corrective Action Plan (Areas of Finance and Compliance)**

A Corrective Action Plan is developed by school representatives to address the reasons for the problem(s) and specific remedial actions the school will take to attain a level of performance that meets expectations.

After submission of a Corrective Action Plan, the Director will notify the school leader and head of the board of directors whether the Corrective Action Plan is satisfactory. If it is satisfactory the school will then be required to follow the Corrective Action Plan with the intent of attaining the level of performance that meets expectations on the identified problem area(s) by the reasonable deadline established by the Director.

Upon receipt and review of the report from the school documenting the results of the school's actions to attain satisfactory performance, the Director will consult with appropriate staff within the Office of Charter Schools to determine whether the school has attained a level of performance that meets expectations. Schools with Corrective Action Plans that successfully attain a level(s) of performance that meets expectations in the problem area(s) will be notified in writing by the Director within ten (10) business days of the receipt of a report on the school's performance in the area(s) addressed by the Corrective Action Plan, and then will be released from Corrective Action.

A school required to submit a Corrective Action Plan that does not attain the level of performance that meets expectations in the problem area by the deadline established by the Director will be considered for Probationary Status.

#### **E. Probationary Status (Areas of Finance and Compliance)**

Probationary Status means a school has one or more problems considered severe by the University in one or more of the areas of Finance or Compliance. A school placed on Probationary Status will be required to take specific actions designated in writing by the Director or his designee within a specific and reasonable time frame to attain a level of performance that meets expectations. A school on Probationary Status that attains a level of performance that meets expectations in identified problem areas by the deadline established by the Director will be released from Probationary Status.

Formal notification of a school being released from Probationary Status will be sent to the school leader and head of the board of directors by the Director within ten days of the decision to release a school from Probationary Status.

A school placed on Probationary Status that does not attain a level of performance that meets expectations by the deadline established by the Director may be recommended for charter revocation.. The Director will notify the school leader and head of the school board in writing of the reasons for the recommendation.. When a school is recommended for charter revocation the Director will send written notification to the Dean of Teachers College, the University Provost and to the University President. The school will be

afforded an opportunity to appeal the recommendation for closure to an Appeal Panel prior to a final decision by the President on the Director's recommendation. The Appeal Procedures are located on the Office of Charter Schools Website at [www.bsu.edu/teachers/charter](http://www.bsu.edu/teachers/charter).

#### **IV. Additional Considerations**

##### **A. Coordination with Charter Renewal Process**

Each charter school's contract with Ball State has a termination date. During the final year of a charter contract, a formal evaluation of the school's performance will be conducted by the Office of Charter Schools. The performance of the school with respect to the Accountability Framework, the General Indicators of Success and in the areas of Academic Achievement, Finance, and Compliance will be important components of determining the school's eligibility for charter renewal

Charter schools should be advised that notwithstanding the discretionary guidelines set out in this Section IV (A), the University retains sole discretion as to whether a charter will be renewed or extended and the length of such offered renewal and extension and will not be bound to the time frames set forth below. However, in determining whether to offer a charter renewal or extension and the length thereof, the University will generally consider the following guidelines:

Schools not on a Corrective Action Plan, on Probationary Status or under a recommendation for Charter Revocation may be considered for a Charter Renewal of up to five years.

Schools on a Corrective Action Plan may be considered for a Charter Renewal of up to five years.

Schools on Probationary Status may be considered for a one or two year charter extension where evidence indicates the school can attain performance that meets expectations by the end of that period of extension.

Schools recommended for Charter Revocation will not be eligible for Charter Renewal pending the outcome of any Appeal Procedure. If the Appeal Procedure results in a decision that Charter Revocation is not warranted, the school would be eligible for a one or two year extension where evidence indicates that the school can attain performance that meets expectations by the end of that period of extension.

##### **B. Coordination with Differentiated Accountability Model**

In 2008, the Indiana Department of Education established a Differentiated Accountability Process for Title 1 schools that are not meeting achievement expectations of the No Child Left Behind Act. Where practicable, the interventions for Corrective Action and

Probationary Status will be in conjunction with the expectations of the Differentiated Accountability Model to which the charter school may be subjected.

**C. Appeal Process**

The head of a school's board of directors may appeal the recommendation of the Director to revoke a charter. Decisions to place a school on a Corrective Action Plan or place a school on Probationary Status are at the discretion of the Director. The Appeal Procedures are located on the Office of Charter Schools website at [www.bsu.edu/teachers/charter](http://www.bsu.edu/teachers/charter).

**Ball State University**  
**Office of Charter Schools**  
Policy for School Assessment and Intervention

**Attachment 1**

In addition to on-going monitoring of school performance, the Office of Charter Schools will utilize information obtained through the Annual Assessment to determine whether schools are performing at expected levels in the areas of Academic Achievement, Finance, or Compliance, or if intervention is necessary to attain satisfactory levels of performance.

Within fifteen business days after the Annual Assessment meeting is completed, the Director will send written notification of the assessment results of that school to the school leader and head of the school's board of directors.

Outlined below are the specific measures to be used in assessing a school's performance and determining whether formal intervention by the University is necessary to attain a satisfactory level of performance in any of the areas of Academic Achievement, Finance, or Compliance.

**A. Academic Achievement**

Satisfactory Academic Achievement will be determined based on the performance of each charter school on a discrete number of measures to which the schools are already subjected by federal or state law, or by the terms of the Model Charter. The measures to be utilized to assess Academic Achievement will be:

1. Adequate Yearly Progress
  - a. Meeting or Not Meeting AYP (overall) each academic year
2. Rating established by the Indiana Department of Education on PL 221 each academic year (Exemplary Progress, Commendable Progress, Academic Progress, Academic Watch, Academic Probation)
3. NWEA-the percentage of students meeting growth targets in three areas
  - a. Math
  - b. Language
  - c. Reading
4. High School Graduation Exam Requirements (where applicable)
  - a. Core 40 End-of-Course Assessments
  - b. GQE (until phased out)

Levels of performance expectation (Exceeding, Meeting, Approaching, and Not Meeting) are established for each measure. These levels will correspond to the levels of

performance on objectives in the Accountability Plan. These objectives may be reviewed and revised by the school subject to the approval of the Office of Charter Schools. .

The attached *“Intervention Chart for Academic Achievement”* describes the performance expectations that correspondent to each intervention. When a school’s academic performance falls below the identified expectations for the specified period of times, the corresponding intervention will be imposed on that school by the Director in the case of a Corrective Action Plan or Probationary Status, or in the form of a Director’s recommendation to the University President regarding charter revocation..

For the purpose of this ongoing monitoring process, the data used in the Annual Assessment of Academic Achievement at any point in time will focus on the performance of a school over the most recent years of operation.

Charter schools sponsored by Ball State University that already have a record of performance in the No Child Left Behind Act (NCLBA) requirement of Adequate Yearly Performance (AYP) that is below expectations will be subject to the interventions in the “Intervention Charter for Academic Achievement” upon the implementation of this policy. Interventions that correspond to the expected levels of performance on PL 221 and the NWEA will be implemented beginning in school year 2008-09 to allow schools that need to make necessary adjustments in their educational programs.

## **B. Finance**

The measures to be utilized to assess Finance will be:

1. State Board of Accounts audit
2. Independent audit
3. Strategic Plan’s revenue and expenses projections
4. Cash balance
5. Annual Budget

Performance below expectations in the area of Finance will result from the following circumstances.

- 1) The most recent State Board of Accounts audit had significant findings that were identified in the audit results and all the significant findings identified were not corrected to the satisfaction of the Office of Charter Schools within 90 days of the audit closing meeting.
- 2) The most recent independent auditor’s review or audit had significant findings that were identified in the auditor’s results and the significant findings identified

were not corrected to the satisfaction of the Office of Charter Schools within 90 days of the audit closing meeting.

- 3) The school's board approved Strategic Plan projections of revenues and expenses are not adequate for any of the next three years.
- 4) The school's current cash balance after subtracting short term liabilities is not favorable, or has not been favorable at any time in the past fiscal year or the current fiscal year.
- 5) The school fails to complete an annual budget in a timely manner.

For schools that are determined to be performing at a level below expectations in the area of Finance, a number of interventions may be taken by the Director. Depending on the nature and severity of its problem(s), a school performing at a level below expectations may be required to submit a Corrective Action Plan, be placed on Probationary Status, or be recommended for revocation of its charter..

### **C. Compliance**

The measures to be utilized to assess Compliance will be:

1. Legal Compliance
  - a. Open Enrollment
  - b. Special Education
  - c. Teacher Certification
  - d. Compliance with applicable Indiana law—I.C. 20-24 et seq,
  - e. Compliance with requirements of the model charter
  - f. Compliance with university policy
2. Governance
  - a. Number of board members
  - b. Number of board meetings
  - c. Compliance with Open Door and Public Records Acts

For schools that are determined to be performing at a level below expectations in the area of Compliance, a number of interventions may be taken by the Director. Depending on the nature and severity of its problem(s), a school performing at an unsatisfactory level may be required to submit a Corrective Action Plan, be placed on Probationary Status, or be recommended for revocation of the school's charter.

# Intervention Chart for Academic Achievement

## February 4, 2009

<b>Corrective Action*</b>	<p>Does not meet AYP for two consecutive years <b>OR</b></p> <p>Does not meet expectations for P.L. 221 for two consecutive years** <b>OR</b></p> <p>Does not meet expectations for NWEA growth in two or more categories for two consecutive years**</p> <p><b>OR</b></p> <p>Does not meet expectations for high school graduation exam goals for two or more categories in two consecutive years (where applicable)</p>
<b>Probationary Status</b>	<p>Does not meet AYP for three consecutive years <b>OR</b></p> <p>Does not meet expectations for P.L. 221 for three consecutive years** <b>AND</b></p> <p>Does not meet expectations for NWEA growth in two or more categories for three consecutive years**</p> <p><b>OR</b></p> <p>Does not meet expectations for high school graduation exam goals in two or more categories for three consecutive years (where applicable)</p>
<b>Closure Recommendation</b>	<p>Does not meet AYP for four consecutive years <b>OR</b></p> <p>Does not meet expectations for P.L. 221 for four consecutive years** <b>AND</b></p> <p>Does not meet expectations for NWEA growth in two or more categories for four consecutive years**</p> <p><b>OR</b></p> <p>Does not meet expectations for high school graduation exam goals in two or more categories for four consecutive years (where applicable)</p>

\*A Corrective Action Plan may be incorporated into a NCLB School Improvement Plan

\*\*The PL 221 requirement and NWEA requirement will be initiated effective school year 2008-09.

Where possible, expectations for corrective action and/or probationary status will be aligned with the expectations of Indiana's Differentiated Accountability Model.