*****Massachusetts Department of***

***Elementary and Secondary Education***

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| Jeffrey C. Riley  *Commissioner* |  |

# MEMORANDUM

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| **To:** | Members of the Board of Elementary and Secondary Education |
| **From:** | Jeffrey C. Riley, Commissioner |
| **Date:** | December 6, 2019 |
| **Subject:** | Charter Schools – Surrender of Charter for City on a Hill Charter Public School New Bedford and Update on City on a Hill Charter Public Schools: Dudley Square and Circuit Street |

On November 25, 2019, the board of trustees of City on a Hill Charter Public School New Bedford (CoaH NB) voted to surrender its charter, effective June 30, 2020. The school has been unable to attract enrollment sufficient to maintain financial viability. I recommend that the Board of Elementary and Secondary Education (Board) vote to accept the surrender of the charter granted to CoaH NB.

This memorandum provides a history of CoaH NB, next steps for CoaH NB’s closure, and an update related to the two City on a Hill Charter Public Schools located in Boston.

| **City on a Hill Charter Public School, New Bedford (CoaH NB)** | | | |
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| **Type of Charter** | Commonwealth | **Location** | New Bedford |
| **Regional or Non-Regional** | Non-Regional | **Districts in Region** | N/A |
| **Year Opened** | 2014 | **Year(s) Renewed** | 2019 |
| **Maximum Enrollment** | 280 | **Current Enrollment** | 149[[1]](#footnote-1) |
| **Chartered Grade Span** | 9-12 | **Current Grade Span** | 9-12 |
| **Students on Waitlist** | 0[[2]](#footnote-2) | **Current Age of School** | 6 years |
| **Mission Statement:**  City on a Hill New Bedford graduates responsible, resourceful, and respectful democratic citizens prepared for college and to advance community, culture, and commerce, and to compete in the 21st century. We do so by emphasizing academic achievement, citizenship, teacher leadership, and public accountability. | | | |

**History of CoaH NB**

City on a Hill Charter Public School New Bedford is part of a three-school network of charter schools, with each school serving grades 9-12, overseen by a single board of trustees.[[3]](#footnote-3) The original City on a Hill Charter Public School, now known as City on a Hill Charter Public School Circuit Street (CoaH CS), opened in 1995. In 2012, the board of trustees applied to open two additional charter schools, one in Boston and one in New Bedford. The Board granted the two charters. The first new school, City on a Hill Charter Public School Dudley Square (CoaH DS) opened in Boston in 2013. The second new school, CoaH NB, opened in 2014, serving 88 students in grade 9 in its first year. City on a Hill Charter Public School New Bedford expanded one grade per year and served the full grade span of 9-12 beginning in 2017-2018.

When the board of trustees received two additional charters, it established a network office to provide services to all three schools.[[4]](#footnote-4) City on a Hill Charter Public School New Bedford is currently managed by a chief executive officer, who was hired in May 2018 and serves as the administrative leader across the three schools. Since 2014, four individuals have served as leader of the CoaH network of charter schools. Additionally, during the 2017-2018 school year, teachers and non-instructional staff across all three schools engaged in discussions with, and eventually voted to join, the Boston Teachers Union (BTU). Negotiations between the board of trustees and the union are ongoing; no contracts have been signed yet.

In January 2019, the Board voted to [renew CoaH NB’s charter with probationary conditions](http://www.doe.mass.edu/bese/docs/fy2019/2019-01/item2.html). The school’s summary of review, presented to the Board in January 2019, outlined a number of concerns about the school’s lack of faithfulness to its mission and charter, poor academic outcomes, a lack of high-quality instruction, and high rates of student attrition and suspension. In January 2019, I recommended and the Board voted to place the school on probation and direct it to meet a number of conditions related to an evaluation of its academic programming, the creation of an action plan to improve academic outcomes, and a requirement to improve academic outcomes for students.

**Update on Solvency of CoaH NB and Closing Procedures**

In March 2019, CoaH NB reported 235 students as pre-enrolled for grades 9-12. On October 1, 2019, actual enrollment was 149 students. According to school reports, as of November 20, 2019, enrollment further declined to 141 students. Due to lower than expected enrollment, the Department adjusted tuition payments, beginning in November 2019, to recoup excess funds paid to the school in July through October tuition based on the pre-enrollment number of 235. Tuition payments for the rest of the year will be based on actual enrollment of students, rather than the enrollment numbers reported on October 1, 2019.

The school’s budget for 2019-2020 included in its annual report and other materials provided to the Department were based upon an enrollment of 175 students. In November, at the Department’s request, the school provided updated cash flow projections through the end of the current school year. These projections were based upon a number of key assumptions including continued access to a line of credit; student enrollment of at least 120 for the remainder of the school year; financial support from the City on a Hill Foundation of $300,000; and reductions in staff. The Department is working with the school to closely monitor cash flow and any changes to the assumptions used in the financial projections. The Department is particularly concerned because the school’s enrollment and finances are not stable.

On November 25, 2019, the Department commenced closing procedures with CoaH NB. City on a Hill Charter Public School New Bedford and the Department will work closely with New Bedford Public Schools as well as other local school options, to enable students to transition to new schools for the next school year. This is a difficult time for the students and their families. I know that New Bedford Public Schools will be extremely helpful in this transition and in welcoming students. The Department will ensure that students transition to other schools and will facilitate an orderly closure of business for CoaH.

**Update on CoaH CS and CoaH DS**

Similar to CoaH NB, the two CoaH charter schools in Boston, CoaH CS and CoaH DS, are facing fiscal instability. Actual enrollment is lower than predicted for the current school year at these two charter schools. City on a Hill Charter Public School Circuit Street pre-enrolled 270 students as of March 15, 2019; actual enrollment as of October 1, 2019, was 228 students. City on a Hill Charter Public School Dudley Square pre-enrolled 265 students as of March 15, 2019; actual enrollment as of October 1, 2019 was 193 students. While the board of trustees set budgets based on student enrollment lower than the pre-enrollment numbers, the decreased enrollment has negatively affected the fiscal health of both Boston schools and the CoaH network of charter schools.

In order to address the unplanned deficits, on November 25, 2019, the board of trustees voted to change the configuration of the two charter schools in Boston to increase efficiency and decrease spending.[[5]](#footnote-5) The board of trustees voted that, in January 2020, students from both Boston schools in grades 9 and 10 will attend school at CoaH DS and students from both Boston schools in grades 11 and 12 will attend school at the CoaH CS facility. This does not require approval by the Commissioner or by the Board. Subsequent to this vote, CoaH board of trustees and administrators have been working collaboratively with teachers and community members to determine financially prudent alternatives to co-location during the current school year. I will update the Board on the schools’ path forward for the remainder of the year.

The school intends to submit a consolidation[[6]](#footnote-6) request to the Department in January 2020. The Department is working with the school regarding its amendment request to consolidate the two distinct charters, effective July 1, 2020. I expect to bring this request, along with the renewal application of CoaH CS, for your consideration, at the Board meeting in February.

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If you have any questions or require additional information, please contact Alison Bagg, Director (781-338-3218); Cliff Chuang, Senior Associate Commissioner (781-338-3222); or me.

Attachment: Motion to Accept Surrender of Charter

1. Student enrollmentas of October 1, 2019 according to the SIMS preliminary data. [↑](#footnote-ref-1)
2. As reported in the [Massachusetts Charter School Waitlist Initial Report for 2019-2020](http://www.doe.mass.edu/charter/enrollment/fy2020/waitlist.html) from March 15, 2019. [↑](#footnote-ref-2)
3. Pursuant to G.L. c. 71, § 89(d), the Board may authorize "a single board of trustees to oversee more than one charter school provided . . . each school is issued its own charter." This structure is known as a network of charter schools. Currently, seven boards of trustees hold two or more charters and oversee networks of charter schools. [↑](#footnote-ref-3)
4. Network staff are employees of the flagship school, CoaH CS. The other two charter schools in the network pay a fee to the flagship school based on a percentage of tuition for its administrative/operational support. [↑](#footnote-ref-4)
5. Each charter school is a distinct legal entity and operates under a separate charter. [↑](#footnote-ref-5)
6. Consolidation is an action by the Board to permit two or more separate charter schools within a network to operate as a single school under a single charter. The Board has previously approved consolidation requests for four schools: Roxbury Preparatory Charter School, Match Charter Public School, Excel Academy Charter School, and Brooke Charter School. [↑](#footnote-ref-6)