Charter Schools Institute
The State University of New York

Summary of Findings and Recommendations

Application to establish the Brooklyn Dreams Charter School

September 8, 2009

Executive Summary

The application for the Brooklyn Dreams Charter School ("Brooklyn Dreams") to be located in Brooklyn was submitted by co-applicants William Girasole and Dick Conti to the Charter Schools Institute (the "Institute") on November 7, 2008. The applicants and founding team propose to open Brooklyn Dreams in September 2010; the school will serve 196 Kindergarten through 3rd grade students in its first year and will grow to accommodate 496 students in Kindergarten through 6th grades during the term of its charter. The mission of the proposed charter school is to offer the families of Brooklyn a school with a culture that values integrity, academic excellence, and accountability, where all students are given the opportunity for success in high school, college, and beyond by offering an academically rigorous and challenging K-8 educational program. The school would be managed by National Heritage Academies, Inc. ("NHA"), a for-profit educational management organization which currently manages two other charter schools authorized by the Board of Trustees of the State University of New York (the "State University Trustees").

The Charter Schools Institute (the "Institute") recommends that the State University Trustees approve the application to establish the Brooklyn Dreams Charter School.

Background and Description

The application to establish the Brooklyn Dreams Charter School was initially submitted to the Institute on June 2, 2008. However, the application was thereafter withdrawn from consideration in order to allow for further development and clarification. Based on feedback from the Institute, the application was revised and resubmitted on November 7, 2008. The Institute conducted a rigorous review, including an extensive staff review, considering the academic, fiscal, organizational and legal aspects of the proposed charter school. Pursuant to its review protocols, the Institute also met with the applicants and the other members of the founding team. As part of its due diligence, the Institute conducted a review of and interviewed key personnel from NHA in the late summer of 2008. The Institute has required the applicant to revise, clarify and otherwise amend the application in numerous respects. Lastly, member(s) of the Board of Trustees' Charter Schools Committee have had multiple opportunities to interview the lead applicants and members of the proposed board of trustees as the core group of proposed school trustees had previously submitted an application that had been withdrawn in a previous application cycle.

After one planning year, Brooklyn Dreams proposes to open with 196 students in Kindergarten through 3rd grades (40 students in Kindergarten and 52 students at each grade level in first through third grades), and subsequently expand the school by one grade each year. In its third year, once the school has established its academic program and operational systems, the school will increase the number of classes at all grade levels to arrive at its final enrollment structure of three classes at each grade level. Average class sizes would range from 20 to 26 students. The school would enroll 496 students in Kindergarten through 6th grades by the end of its initial charter term. Ultimately, the school intends to provide a K-8 program so as to to provide "a solid foundation" of high school preparation, alleviating potential problems associated with transferring from one elementary school to a different middle school.

The school intends to draw primarily from ethnically diverse Southwest Brooklyn, where approximately 60 percent of the residents speak a language other than English at home. According to the applicants, nearly one-third of public schools in this area are in poor academic standing, and the

dropout rate has been increasing. Moreover, there are currently no charter schools in the immediate area.

The school day for Brooklyn Dreams students would run from 8:00 a.m. to 3:00 p.m., and teachers would remain one extra hour each day for team, staff and committee meetings, professional development and lesson planning. Each day, students in Kindergarten through 2nd grade would receive 180 minutes of instruction in English language arts, 75 minutes of mathematics instruction, and 30 minutes each of social studies and science instruction. Students in 3rd - 5th grades would receive 150 minutes of instruction in English language arts, 90 minutes of mathematics instruction, and 60 minutes each of science and social studies instruction. In addition to core subjects, students would also receive instruction in technology, library, art, music and physical education. Ultimately, students in grades 6 through 8 would also receive instruction in a language other than English and career/occupational sciences.

According to the application, "the notions of 'continuous learning' and 'individual achievement' are the underpinnings of Brooklyn Dreams' educational philosophy." The applicants describe their key design elements as culture, academic excellence, and accountability. The school plans to implement a "charter focus program … by reinforcing and modeling universal human virtues." The school's academic program is grounded in eleven critical areas based on the research of Robert Marzano and described in his book entitled *What Works in Schools: Translating Research into Action* (2003). Specifically, the school plans to employ a "teacher-directed instructional strategy" and utilize regular assessment of student performance. The school will administer the Northwest Evaluation Association's (NWEA's) Measures of Academic Progress (MAP) three times per year in addition to state and classroom assessments. According to the application, the curriculum has been developed by NHA in alignment with state standards, and it will be reviewed by the school leadership team on an annual basis.

Brooklyn Dreams will ensure that students with disabilities receive the programs and services prescribed by each student's Individualized Education Program (IEP). The school itself will offer a range of instructional options for students with disabilities including "collaborative team teaching" in regular classrooms with certified special education teachers, "supplementary instructional services" in a resource room with eight or fewer students, and "mainstream instruction" in a regular classroom with the necessary support and modifications. For students who are English language learners, the school will have in place the necessary assessment(s) and programs to identify such students, provide services, and to determine the extent to which progress is made toward exiting those services. In particular, Brooklyn Dreams has designed an English Language Development (ELD) program that includes two components: (1) in-class Structured English Immersion content area instruction and (2) supplemental English as a Second Language instruction. Brooklyn Dreams intends to hire instructional staff certified in bilingual education or teaching English to speakers of other languages. The application describes meeting the needs of at-risk students within the regular classroom through differentiated instruction, but also notes an extended day tutoring program and summer school if needed.

In addition to a principal, the school will have four deans when fully staffed—one each for assessment and intervention, curriculum and instruction, culture and responsibility, and student services. Grade level teacher teams will have daily common planning times, and teachers will meet weekly with supervisors to be coached, mentored and supported. In addition, there will be a weekly all-staff meeting. The application notes professional development will focus on new teacher induction, analyzing student work, differentiation, and training teachers to build positive, productive

and trusting relationships and self-managing classrooms, as well as the use of data. Teachers will also participate in professional development opportunities provided by the NHA network.

The application to establish the Brooklyn Dreams Charter School is based on the application to establish the Bay Ridge Charter School, which was submitted to the Institute in the summer of 2007. At that time, the founding group had unsuccessfully applied to the Institute in two previous application cycles. However, the co-applicants and founding team have made significant improvements over time to the application and the design of the proposed school that has increased the likelihood that the application would result in improving student learning and achievement.

The founders have selected NHA, based in Michigan, to manage the day-to-day operations of the school. NHA currently provides services to 57 charter schools throughout the United States, including three schools in New York: Brooklyn Excelsior Charter School (Brooklyn), Buffalo United Charter School (Buffalo), and Southside Academy Charter School (Syracuse). Brooklyn Excelsior and Buffalo United Charter Schools were authorized by the State University Trustees in March and September of 2002, respectively. The charters of both of these schools have been renewed by the State University Trustees for a full-term and a short-term of three years, respectively. NHA also operated the Rochester Leadership Academy Charter School, which the State University Trustees authorized in 2001 and did not renew in 2005 due to poor academic performance. NHA will, among other things, implement and monitor the instructional program, curriculum, assessment, and professional development; aid in the selection, hiring, supervision and evaluation of staff, including the principal; provide labor, material, equipment, and facilities; and provide an annual budget and periodic financial statements as well as funds for start up costs and/or operating losses. NHA will receive all revenues and use those funds to pay all operating costs identified in the school budget.

The school's founding board of trustees consists of individuals who offer a diverse set of skills and experiences in areas such as education, business, law, real estate and community leadership. Based on Institute staff's conversations with the proposed trustees, they appear to understand the roles and responsibilities of a board of trustees and have the ability to ensure the appropriate and effective operation of the proposed charter school. The proposed board recognizes and appreciates the role of NHA and has taken care to establish a thorough and ongoing evaluative process to ensure accountability, performance of school related functions, and maintenance of the capacity to serve the school.

The board bylaws indicate that board membership can range from seven to nine members. The proposed initial members of the board of trustees are set forth below.

1. William Girasole (Co-Applicant) – Chief Executive Officer and President of Aldo B. Girasole Real Estate with experience in management, business development, public relations, and operations.

2. Richard Conti (Co-Applicant) – Chief Financial Officer of a private Catholic boys school (Xaverian High School) with forty years of commercial banking experience.

3. Matthew Daus – Commissioner/Chairman of the New York City Taxi and Limousine Commission with experience managing over 480 employees and a budget in excess of $26 million.

4. Salvatore Ferrera – President of Xaverian High School with more than 20 years of experience directing the operation of public and private schools.

5. Michael Melendez – Founder of Innovative Solutions Group with executive level experience at Morgan Stanley and First Union.

6. Christian Nugent – Partner at O'Melveny & Myers, L.L.P. in the areas of mergers and acquisitions, growth equity/venture capital and securities.

7. Michael Pedone – Managing Director and head of leveraged loans, high yield and distressed bond sales. Previously head of leveraged loans, high yield and distressed bond sales for Lehman Brothers/New York.

8. Rosalie Rance – Vice President of the Brooklyn Chamber of Commerce with over 15 years experience promoting major NYC institutions and destinations.

9. Lee Wang – Current Video Producer for *Newsweek* with extensive experience producing, shooting, editing, and writing videos for major networks and magazines.

The founding group anticipates leasing renovated space for the school through NHA in Community School District (CSD) 22, and does not intend to seek space through the New York City Department of Education ("NYCDOE").

The fiscal impact of Brooklyn Dreams on the district of residence, the New York City School District, is summarized below.

Number of Students	**Per Pupil Aid**	**Total Dollars to Charter School from NYCDOE**	**Total Budget for NYCDOE (in billions)**	**% of Total Budget**
196 (2010-11 School Year- year 1)	**$12,443**	**$2,497,064**	**17.3**	**0.014%**
574 (2014-15School Year - year 5)	**$14,557**	**$8,554,971**	**19.9**	**0.043%**

The calculations conservatively assume that there will be a modest (4%) increase in per pupil aid and in the overall budget of the New York City School District over the life of the proposed charter, starting in 2011-2012. The Institute's calculations do not account for federal Title I funds or any federal or state grants that may be provided by the district and received by the School. However, each school has provided budget calculations accounting for federal Title I funds, grant revenue, or other funds provided by the district and to be received by the School in its application.

It should be noted that a 2014-15 budget was not available for the NYCDOE. An assumption of a 4.0% increase year to year was assumed using the last year provided. The applicant made an assessment that the fiscal impact of the proposed school on nonpublic schools in the same geographic area would be negligible, with which the Institute agrees based on the foregoing.

All other figures presented by the school are rational. National Heritage Academies (NHA) will assume responsibility for all operations of the school. It will manage all revenue funds and pay all expenses; its fee will be the excess. Should expenses exceed revenue, NHA will fund the difference which looks to be $5.7 million over years one through three. Operationally, this means that the school will continually operate on a break even basis and will not accumulate any fund balance. The school's fiscal health will be 100% dependent on NHA's ability to provide its programs and services in a fiscally sound manner.

The Institute notified the New York City School District, as well as public and private schools in the same geographic area of the proposed school, both when it was originally submitted and again when it was amended and resubmitted. Based on input from CSDs 21 and 22 and politicians representing those areas, the NYCDOE requested that the Institute not present its final recommendation on the application to the Charter Schools Committee in June 2009 so that an additional hearing could be held in CSD 22. The Institute obliged the request in consultation with the Chair of the Charter Schools Committee. That hearing took place on July 16, 2009. While the usual type of comments pro and con were generated at the hearing, nothing of substance specific and negative to the proposed school emerged. Moreover, at the time this report was issued, no comments had been received from the NYCDOE or private schools.

As a gauge of parent and community support, the applicant group petitioned parents in the proposed location of the school. Approximately 330 signatures were obtained indicating both parent and community interest in and support of the proposed Brooklyn Dreams Charter School. In addition, the application included, as a second indicator of community interest and support, the number of students on the waiting list to enroll in the Brooklyn Excelsior Charter School, located in Brooklyn to the north and east of the proposed community. As of September 1, 2009, Brooklyn Excelsior's waiting list included 1,420 students for Kindergarten through 8th grades.

Findings

Based on a comprehensive review of the application and interviews of the applicant and the proposed board of trustees, the Institute makes the following findings.

1. The charter school described in the application meets the requirements of Article 56 of the Education Law and other applicable laws, rules, and regulations as reflected in (among other things):

    - the inclusion of appropriate policies and procedures for the provision of services and programs for students with disabilities, English language learners, and students at-risk of academic failure;

    - the required policies for addressing the issues related to student discipline, complaints, personnel matters, health services, Freedom of Information Law (FOIL), and the Open Meetings Law;

    - the inclusion of the proposed by-laws for the operation of the school board of trustees; and

- the inclusion of an analysis of the projected fiscal and programmatic impact on surrounding public and private schools.

2. The applicants have demonstrated the ability to operate the school in an educationally and fiscally sound matter as reflected in (among other things):

    - the provision of an educational program that meets or exceeds the State performance standards;

    - the articulation of a culture of self-evaluation and accountability at both the administrative and board level;

    - the student achievement goals articulated by the applicant;

    - an appropriate roster of educational personnel;

    - a sound mission statement;

    - a comprehensive assessment plan;

    - the provision of sound start-up, first-year, and five-year budget plans;

    - the plan to acquire comprehensive general liability insurance to include any vehicles, employees, and property;

    - evidence of adequate community support for, and interest in, the charter school sufficient to allow the school to reach its anticipated enrollment; and

    - the inclusion of procedures for programmatic and independent fiscal audits, at least annually.

3. The Board of Trustees' approval of the application is likely to improve student learning and achievement and materially further the purposes of the Charter Schools Act (as amended). This finding is reflected by (among other things):

    - the inclusion of a curriculum framework document that specifies how the proposed curriculum will ensure that students will meet or exceed the performance standards of the Board of Regents;

    - a comprehensive plan for the school to assess student achievement through the use of State tests, externally-verifiable standardized tests and other diagnostic assessments;

    - creating and promoting strategies that facilitate differentiated instruction;

    - implementing a Core Leadership Team comprised of a principal and four deans to provide leadership, guidance, and feedback to all staff members;

    - the inclusion of significant opportunities for professional development of instructional staff throughout the year;

- daily blocks of time scheduled for literacy and numeracy;
- devoting substantial resources to helping students who are struggling academically based on assessment and teacher recommendations; and
- a commitment to providing an educational program focused on outcomes, not inputs.

Conclusion and Recommendations

Based on its review and findings, the Charter Schools Institute recommends that State University Trustees approve the application for the Brooklyn Dreams Charter School, proposed to be located in Community School District 22 of Brooklyn.

Brooklyn Dreams Charter School

Basic Identification Information

Lead Applicant:	William Girasole and Dick Conti
Management Co.:	National Heritage Academies
Other Partners:	Brooklyn Academy of Music
Location (District):	New York City, CSD 22
Student Pop./Grades:	Opening with 196 students in K – 3rd grades and growing to include 496 students in K-6th grades at the end of the first charter term.
Opening Date:	September 2010

School District of Proposed Location Profile

New York City School District 22			
Enrollment (2007-08):		36,433	
Percent (2007-08):			
White:		26%	
African-American:		46%	
Hispanic:		13%	
Asian, Other:		15%	
Percent Participating in Federal Lunch Program (2007-08):			
Free Lunch:		51%	
Reduced Price Lunch:		9%	
Percent Proficient on State Exams (2008-09)			
English Language Arts		**Mathematics**	
Grade	**Percent Proficient**	**Grade**	**Percent Proficient**
3	78.2	3	94.7
4	74.5	4	88.1
5	80.5	5	90.6
6	77.9	6	81.8
7	78.2	7	85.4
8	64.9	8	74.0

Source: demographic data is from the New York State Accountability and Overview Report 2007-08; test data are from the 2008-09 results on the State Education Department website.