



Charter Schools Institute
The State University of New York

Summary of Findings and Recommendations

*Applications to establish in Brooklyn
the Collegiate Charter Schools:
Flatbush; Crown Heights; and East New York*

August 28, 2008

Executive Summary

The applications for the three Collegiate Charter Schools to be located in Brooklyn were submitted by the same lead applicant, Brett Peiser, and founding team. The three schools include Flatbush Collegiate Charter School (“Flatbush”), Crown Heights Collegiate Charter School (“Crown Heights”), and East New York Collegiate Charter School (“East New York”). The founding team proposes to open Flatbush in August 2009, and both Crown Heights and East New York in August 2010. Each school would open with 78 students in 5th grade in its first year. Flatbush would grow to serve 313 students in 5th through 9th grade during the term of its charter. East New York and Crown Heights would use the 2009-10 school year as a planning year and grow to serve 263 students in 5th through 8th grades during the first charter terms. The mission of the proposed charter schools is to prepare each student for college. Ultimately, the founders envision a full middle (5th - 8th grades) and high school (9th - 12th grades) program for each school. All of the schools would be managed by the not-for-profit Uncommon Schools, Inc. (USI), which, based on the due diligence conducted by Institute staff, has more than sufficient capacity to perform the required functions and to deliver services equitably to all three schools. USI currently supports five charter schools authorized by the Board of Trustees in New York City, Rochester and Troy, and has four schools previously approved by the Board of Trustees currently being considered for resubmission to the Board to the Board of Regents for approval.

The Charter Schools Institute (the “Institute”) recommends that the Board of Trustees approve the charter applications for the Collegiate Charter Schools: Flatbush; Crown Heights; and East New York.

Background and Description

The applications to establish the Collegiate Charter Schools (Flatbush, Crown Heights, and East New York) were submitted to the Institute on June 2, 2008. The Institute conducted a rigorous review of each application, including an extensive staff review as well as review by a panel of nationally renowned experts in fields such as education (charter and traditional schools), school administration, charter and traditional school policy, finance, and/or curriculum. The applications have also been subjected to fiscal soundness reviews conducted by independent school finance experts. Pursuant to its review protocols, the Institute has met with the founding board, and the other members of the founding team. Further, adding to the evidence collected during its prior due diligence meeting with USI key leadership and staff, Institute staff obtained updated information regarding the capacity of the organization to support three additional schools. The Institute also assessed the capacity of USI to perform all functions required by its management contract and its capability to deliver services equitably to all three schools and found it to be sufficient and exemplary. The Institute has required the applicant to revise, clarify and otherwise amend the applications as needed. Lastly, member(s) of the Board of Trustees’ Charter Schools Committee have had an opportunity to interview the lead applicant and proposed board of trustees.

The mission of each Collegiate Charter School is “to prepare each student for college.” To achieve this mission, the schools would base their educational design on other successful urban charter schools, particularly Boston Collegiate Charter School and North Star Academy Charter School of Newark—two of the highest performing urban public schools in the country. The proposed schools would also be modeled on Williamsburg Collegiate Charter School, which opened in August of 2005, and Kings Collegiate Charter School (chartered by the Board of Trustees) which opened in August of 2007. Both schools were established by the Lead Applicant for the Collegiate charter schools, Brett Peiser, in partnership with USI.

To ensure that every student masters each learning standard, the schools would provide more time on task. The school year would run for at least 190 instructional days, from the middle of August to the end of June. The school day would run from 7:45 a.m. to 4:30 p.m. and include: a mandatory hour-long Homework Center for students whose homework does not meet standards; mandatory tutoring outside of regular class time for students identified as in need of extra help; double periods in English language arts and mathematics daily, as well as an hour each of science and history for all students; and mandatory four-hour Saturday School for any student who is failing any class at any point during the year and/or who is in danger of not passing required state exams.

Additional key design elements include: 1) an emphasis on college such that the freshman year of college will be a natural extension of graduating from high school; 2) a calm, composed, and disciplined environment to maximize the amount of time on-task; and, 3) a focus on literacy driven by an understanding that most students beginning 5th grade are reading substantially below grade level and an acknowledgement that if a school does not address this issue immediately, students will be at a huge disadvantage in *all* subjects in high school and college.

Each Collegiate charter school (Flatbush, Crown Heights and East New York) would develop curriculum directly from the New York State Learning Standards through a common, school-wide approach by creating: scope-and-sequences for each subject in each grade; detailed syllabi for each course listing the skills and concepts to be mastered; and a database of unit and daily lesson-plans. In addition to mandated state exams and the Institute's accountability provisions, the school would implement multiple school-wide assessments and administer them consistently to determine students' progress towards each performance standard.

Because the three schools have the same applicant and proposed trustees and share the same educational service provider, the schools have chosen a managerial structure that includes a principal at each school who reports to the USI managing director who, in turn, reports to the proposed board of trustees. The principal focuses exclusively on issues of teaching and learning by serving as the instructional leader, overseeing curriculum development, assessment, and student culture. The USI managing director, working in concert with the USI services team, is responsible for primarily external and non-academic functions including, but not limited to, managing the start up by designing and assessing program development; training, supervising and coaching the school leaders; and engendering teacher recruitment, professional development, fund development, and technology. Each school would also be served by a dean of students, who works with staff to ensure a tightly and consistently enforced code of conduct to promote a positive student culture, and a director of operations who would oversee all aspects of school facilities and operations. The dean of students and the director of operations would both report to the principal.

At the time of submission of the application, the three schools had the same board of trustees that also governs the other Collegiate charter schools (two authorized by the Board of Trustees and one authorized by the Board of Regents). However, the board added one additional member subsequent to the founding group's interview with the members of the State University Charter Schools Committee, and intends to add two more soon, including a parent and other community representatives from the communities where the schools are ultimately located – once sites are identified by the New York City Department of Education. Ultimately, the board anticipates having as many as 12 board members – a 50% increase from its initial size.

The intent of maintaining a common core of trustees is to ensure that Flatbush, Crown Heights, and East New York not only draw on the programmatic strengths of the other Collegiate schools, but also draw on the experience and expertise of its primary governing body. In addition, it is more difficult to recruit 72 outstanding trustees for six boards (that comprise the Collegiate network) than 12 outstanding trustees for one board. Further, six different boards would be competing for the same resources, but in an uncoordinated manner. Based on Institute staff's conversations with the proposed trustees, they clearly understand the roles and responsibilities of a board of trustees, have the ability to ensure the appropriate and effective operation of the proposed charter schools, and are willing and able to maintain the community identity, individuality and integrity of each school. For example, the board has extended the length of its meetings and the frequency of committee meetings to make sure individual school needs are met. In addition, the board has instituted procedures to ensure each school is treated as an individual entity, including separate agendas, separate minutes, and separate presentations by school staff at every meeting.

The proposed board of trustees has established cross-school processes based upon a committee structure that looks to ensure consistency in governance, finance, development and program. Should a conflict of interest regarding resources arise between or among the schools, the board proposes to employ a decision-making process that identifies key factors and the impact of those factors on student achievement. The outcome of the process is to ensure that each school has the resources that are needed to succeed and that resources are allocated equitably. The Institute has identified very few areas where such a conflict might arise, and in each case USI noted that it was its responsibility to help avoid such conflicts by, for example, providing the necessary human, fiscal or infrastructure resources so that such conflicts do not arise. For example, if USI provides a sufficient number of qualified candidates for each school's principal position, then if more than one school board offers the same candidate a position, the candidate will decide and the other boards will still have qualified candidates from which to choose.

The proposed board recognizes and appreciates the role of USI and has taken care to establish a thorough and ongoing evaluative process to hold USI accountable for school performance and to ensure that it maintains its capacity to serve the schools. The proposed initial members of the board of trustees, who have worked together over the past three years to formulate three applications, are set forth below:

- Brett Peiser (applicant) – Managing Director of Collegiate Network for Uncommon Schools, Inc. Formerly Founder, Principal, and Executive Director of Boston Collegiate Charter School in Boston, MA. Also served as a history teacher for the Midwood High School in Brooklyn, NY.
- Allyson Alimansky – Director of the Hedge Fund Private Fund Group at Credit Suisse Securities USA. Former Director of Business Development at hedge fund DB Zwirn and Co.
- John Greenstein – Senior Account Executive at Qumu Software, Inc., a privately held software company based in Silicon Valley. Formerly held strategic sales, consulting, and account management positions for Oracle Corporation, Rational Software, and IBM Software.
- Bob Howitt – Founder and Executive Director of WKBJ Foundation, an organization that provides educational assistance to financially disadvantaged youth. The funding mission of the foundation is to make grants to exemplary charter schools. WKBJ provided the

planning grant for North Star Academy Charter School of Newark in 1996 where he served as the founding chair of the board. Also in 1996, he became a trustee of Uncommon Schools whose expansion WKBJ is helping to facilitate. Prior to founding WKBJ, he was a Partner at First Manhattan Co., a research-oriented money manager.

- Suzanne Karr – Principal member of Joho Capital, LLC since its inception in September 1996. Co-founder and Director of the Hollyhock Foundation, which supports children and families in need. In addition, she is a Trustee of St. David’s School in Manhattan. From 1990-1997, she worked for Sotheby’s in New York and Tokyo, where she served in a variety of management roles.
- John Kim – Partner, Court Square Capital Partners leading investor relations, co-investment syndication, and marketing. Having worked for Capital Z Investment Partners and JP Morgan prior to joining Court Square, he has extensive experience fundraising in the private equity industry.
- Reena Mithal (Chair) – Director of Risk Products at CreditSights, Inc., an independent research firm based in New York that conducts research on US and European companies for institutional investors. Her career in finance and economics research has included previous positions at Putnam Investments, Deutsche Bank, and Lehman Brothers.
- Parent Representative for each school.
- Community Representatives.

The principals of the three charter schools would serve as ex officio, non-voting members of the proposed board. Per the proposed charter agreement, only two persons affiliated with USI (Peiser and Howitt) are permitted to serve on the school’s board of trustees.

USI, on behalf of the founding team of the proposed Flatbush, Crown Heights, and East New York schools, is working to identify appropriate facility space for the three Collegiate Charter Schools in each of the intended locations. USI has a strong record of working closely with the New York City Department of Education to access underutilized school district space, as well as pursuing alternatives to conventional lease/purchase arrangements that include securing unused parochial school space and partnering with other school-facilities organizations. In the event that school district space is not available, the founding team has included a contingency strategy in its financial planning that would provide funding to secure space on the open market.

The fiscal impact each of the Collegiate Charter Schools on the district of residence, the New York City School District, is summarized below.

Flatbush Collegiate Charter School

Number of Students	Per Pupil Aid (does not include special education and federal entitlement grants)	Total Dollars to Charter School from NYCDOE	Total Budget for NYCDOE (in billions)	% of Total Budget
78 (2009-10 School Year 1)	\$12,816	\$999,671	17.5	0.01%
313 (2013-14 School Year – year 5)	\$14,425	\$4,514,977	19.5	0.02%

East New York and Crown Heights Collegiate Charter Schools

Number of Students	Per Pupil Aid (does not include special education and federal entitlement grants)	Total Dollars to Charter School from NYCDOE	Total Budget for NYCDOE (in billions)	% of Total Budget
78 (2010-11 School Year – year 2)	\$13,597	\$1,029,661	17.5	0.01%
263 (2013-14 School Year – year 5)	\$14,424	\$ 3,793,735	19.5	0.02%

The calculations conservatively assume that there will be a modest (3%) increase in per pupil aid and in the overall budget of the New York City School District over the life of the proposed charters. The Institute’s calculations do not account for special education, federal Title I funds or other grants or funds provided by the district and to be received by the School. The applicant made an assessment that the fiscal impact of each proposed school on nonpublic schools in the same geographic area would be negligible.

Each school has included calculations accounting for special education, federal Title I funds or other grants or funds provided by the district and to be received by the School.

The Institute has notified the New York City Department of Education as well as private schools in the geographic area of the applications and as of August 29, 2008, has received no comment from these entities.

As a gauge of parent and community support, the founding team gathered petitions and met with numerous community residents in all three proposed locations.

Flatbush Collegiate

The Flatbush Collegiate application contained a petition bearing the signatures of 250 community members who indicated they would consider enrolling their child(ren) in the proposed charter school, as well as letters of support from several local foundations including Hollyhock Foundation, New Schools Venture Fund, Robertson Foundation, Charter School Growth Fund, Broad Foundation, the Robin Hood Foundation, and WKBJ. The school also plans to feature an arts and athletic enrichment program in the afternoon and is seeking to partner with local organizations to strengthen enrichment offerings. In addition, the application points out that the waiting lists for the current Brooklyn-based Collegiate charter schools far exceeds their maximum enrollment. Specifically, Williamsburg Collegiate enrolled 184 during the 2007-08 school year, but had 555 students on its waiting list. Kings Collegiate received 189 applications in its first lottery in 2007, enrolled 75 students and had 75 students on its waiting list. Bedford Stuyvesant Collegiate, which opens this fall, received 185 applications for its first lottery and has 105 students on its waiting list for 5th grade.

Crown Heights Collegiate

The Crown Heights Collegiate application contained a petition bearing the signatures of 238 community members who indicated they would consider enrolling their child(ren) in the proposed charter school, as well as letters of support from several local foundations including Hollyhock Foundation, New Schools Venture Fund, Robertson Foundation, Charter School Growth Fund, Broad Foundation, the Robin Hood Foundation, and WKBJ. The school also plans to feature an arts and athletic enrichment program in the afternoon and is seeking to partner with local organizations to strengthen enrichment offerings. In addition, the application points out that the waiting lists for the current Brooklyn-based Collegiate charter schools far exceeds their maximum enrollment. Specifically, Williamsburg Collegiate enrolled 184 during the 2007-08 school year, but had 555 students on its waiting list. Kings Collegiate received 189 applications in its first lottery in 2007, enrolled 75 students and had 75 students on its waiting list. Bedford Stuyvesant Collegiate, which opened this fall, received 185 applications for its first lottery and has 105 students on its waiting list for 5th grade.

East New York Collegiate

The East New York Collegiate application contained a petition bearing the signatures of 250 community members who indicated they would consider enrolling their child(ren) in the proposed charter school, as well as letters of support from several local foundations including Hollyhock Foundation, New Schools Venture Fund, Robertson Foundation, Charter School Growth Fund, Broad Foundation, the Robin Hood Foundation, and WKBJ. The school also plans to feature an arts and athletic enrichment program in the afternoon and is seeking to partner with local organizations to strengthen enrichment offerings. In addition, the application points out that the waiting lists for the current Brooklyn-based Collegiate charter schools far exceeds their maximum enrollment. More specifically, Williamsburg Collegiate enrolled 184 during the 2007-08 school year, but had 555 students on its waiting list. Kings Collegiate received 189 applications in its first lottery in 2007, enrolled 75 students and had 75 students on its waiting list. Bedford Stuyvesant Collegiate, which opened this fall, received 185 applications for its first lottery and has 105 students on its waiting list for 5th grade.

Findings

Based on the comprehensive review of the applications, discussion with national experts and interviews of the applicant and the proposed board of trustees, the Institute makes the following findings.

1. The charter schools described in the applications meet 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 and English language learners;
 - 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 board of trustees; and
 - the inclusion of an analysis of the projected fiscal and programmatic impact of each school on surrounding public and private schools.

2. The applicant has demonstrated the ability to operate the schools in an educationally and fiscally sound matter as reflected in (among other things):
 - the provision of an educational program for each school that meets or exceeds the State performance standards;
 - the articulation of a culture of self-evaluation and accountability at both the board level and the administrative level at each school;
 - the student achievement goals for each school articulated by the applicant;
 - an appropriate roster of educational personnel for each school;
 - a sound mission statement for each school;
 - a comprehensive assessment plan for each school;
 - the provision of sound start-up, first-year, and five-year budget plans for each school;
 - the plan to acquire comprehensive general liability insurance to include any vehicles, employees, and property of each school;
 - evidence of adequate community support for, and interest in, each charter school sufficient to allow each school to reach its anticipated enrollment; and
 - the inclusion of procedures for programmatic and independent fiscal audits for each school, at least, annually.

3. The Board of Trustees' approval of each 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 of each school would ensure that students would meet or exceed the performance standards of the Board of Regents;
 - a comprehensive plan for each school to assess student achievement through the use of state tests, externally-verifiable standardized tests and other diagnostic assessments;
 - a track record of high academic performance by students who attend schools managed by the proposed not-for-profit management organization;
 - the articulation of strategies to amend and differentiate instruction at each school where assessment data indicates such need;
 - the inclusion of significant opportunities for professional development of each school's instructional staff throughout the year;
 - daily blocks of time scheduled for literacy and numeracy;
 - a plan for the education of students at-risk of academic failure; 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 the Board of Trustees approve the applications for the Flatbush Collegiate Charter School, Crown Heights Collegiate Charter School, and the East New York Charter School to open in Brooklyn.

Collegiate Charter Schools: Flatbush, Crown Heights, and East New York (Brooklyn)

Basic Identification Information

Lead Applicant:	Brett Peiser
Management Co.:	Uncommon Schools, Inc.
Other Partners:	None
Location (District):	Brooklyn - Flatbush, Crown Heights and East New York
Student Pop./Grades:	Flatbush – 78 5th grade students; expanding to 313 students grades 5-9 Crown Heights - 78 5th grade students; expanding to 263 students grades 5-8 East New York - 78 5th grade students; expanding to 263 students grades 5-8
Opening Date:	Flatbush - August 2009 Crown Heights - August 2010 East New York - August 2010

School Districts of Proposed Location Profile

CSD 15			
Enrollment (2005-06):		24385	
Percent (2005-06):			
White:		17	
African-American:		26	
Hispanic:		46	
Asian, Other:		11	
Percent Participating in Federal Lunch Program (2005-06):		73	
Percent Proficient on State Exams (2006-07)			
English Language Arts		Mathematics	
Grade	Percent Proficient	Grade	Percent Proficient
3	67	3	86
4	65	4	81
5	63	5	75
6	55	6	63
7	52	7	59
8	48	8	49

CSD 16			
Enrollment (2005-06):		13396	
Percent (2005-06):			
White:		1	
African-American:		86	
Hispanic:		11	
Asian, Other:		2	
Percent Participating in Federal Lunch Program (2005-06):		70	
Percent Proficient on State Exams (2006-07)			
English Language Arts		Mathematics	
Grade	Percent Proficient	Grade	Percent Proficient
3	48	3	72
4	43	4	59
5	43	5	58
6	29	6	42
7	28	7	35
8	27	8	30

CSD 17			
Enrollment (2005-06):		29428	
Percent (2005-06):			
White:		1%	
African-American:		87%	
Hispanic:		10%	
Asian, Other:		2%	
Percent Participating in Federal Lunch Program (2005-06):		83%	
Percent Proficient on State Exams (2006-07)			
English Language Arts		Mathematics	
Grade	Percent Proficient	Grade	Percent Proficient
3	49	3	78
4	49	4	66
5	46	5	60
6	40	6	46
7	33	7	38
8	34	8	31

CSD 19			
Enrollment (2005-06):		28915	
Percent (2005-06):			
White:		1	
African-American:		53	
Hispanic:		40	
Asian, Other:		6	
Percent Participating in Federal Lunch Program (2005-06):			
		91	
Percent Proficient on State Exams (2006-07)			
English Language Arts		Mathematics	
Grade	Percent Proficient	Grade	Percent Proficient
3	46	3	77
4	47	4	70
5	49	5	64
6	36	6	60
7	31	7	47
8	29	8	37

CSD 23			
Enrollment (2005-06):		12584	
Percent (2005-06):			
White:		1	
African-American:		81	
Hispanic:		17	
Asian, Other:		1	
Percent Participating in Federal Lunch Program (2005-06):			
		88	
Percent Proficient on State Exams (2006-07)			
English Language Arts		Mathematics	
Grade	Percent Proficient	Grade	Percent Proficient
3	41	3	73
4	40	4	63
5	42	5	53
6	42	6	61
7	38	7	54
8	40	8	41

Source: demographic data is from the New York State Accountability and Overview Report 2006-07; test data are from the 2007-08 results released on the State Education Department website.