



Charter Schools Institute
State University of New York

REPORT TO THE BOARD OF TRUSTEES

**FINDINGS AND RECOMMENDATIONS
OF THE CHARTER SCHOOLS INSTITUTE
AS TO THE APPLICATION FOR CHARTER
RENEWAL OF THE MERRICK ACADEMY -
QUEENS PUBLIC CHARTER SCHOOL**

FEBRUARY 8, 2005

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INTRODUCTION

The Charter Schools Act of 1998 (the “Act”) authorizes the State University of New York Board of Trustees (the “Board of Trustees”) to grant charters for the purpose of organizing and operating independent and autonomous public charter schools. Charter schools provide opportunities for teachers, parents, and community members to establish and maintain schools that operate independently of existing schools and school districts in order to accomplish the following objectives:

- improve student learning and achievement;
- increase learning opportunities for all students, with special emphasis on expanded learning experiences for students who are at-risk of academic failure;
- provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system;
- create new professional opportunities for teachers, school administrators and other school personnel;
- encourage the use of different and innovative teaching methods; and
- provide schools with a method to change from rule-based to performance based accountability systems by holding the schools accountable for meeting measurable student achievement results.¹

In order to assist the Board of Trustees in their responsibilities under the Act, the Board of Trustees authorized the establishment of the Charter Schools Institute of the State University of New York (the “Institute”). Among its duties, the Institute is charged with evaluating charter schools’ applications for renewal and providing its resulting findings and recommendations to the Board of Trustees.

This report is the primary vehicle by which the Institute transmits to the Board of Trustees its findings and recommendations regarding a school’s renewal application, and more broadly, the merits of a school’s case for renewal. It has been created and issued pursuant to the “Practices, Policies and Procedures for the Renewals of Charters for State University Authorized Charter Schools” (the “State University Renewal Practices”).² More information regarding this report is contained in the “Reader’s Guide” that follows.

¹ See § 2850 of the Charter Schools Act of 1998.

² The State University Renewal Practices, Policies and Procedures (revised January 25, 2005) are available at www.newyorkcharters.org.

Statutory and Regulatory Considerations

Charters may be renewed, upon application, for a term of up to five years. The Act prescribes the following requirements for a charter school renewal application:

- a report of the progress of the charter school in achieving the educational objectives set forth in its charter;
- a detailed financial statement that discloses the cost of administration, instruction and other spending categories for the charter school that will allow a comparison of such costs to other schools, both public and private;
- copies of each of the annual reports of the charter school including the charter school report cards and certified financial statements; and
- indications of parent and student satisfaction.³

The Institute's processes and procedures mirror these requirements and meet the objectives of the Act.⁴

As a charter authorizing entity, the Board of Trustees can renew a charter so long as the Trustees can make each of the following findings:

- the charter school described in the application meets the requirements of the Act and all other applicable laws, rules and regulations;
- the applicant can demonstrate the ability to operate the school in an educationally and fiscally sound manner; and
- granting the application is likely to improve student learning and achievement and materially further the purposes of the Act.⁵

Where the Board of Trustees approve a renewal application, they are required under the Act to submit the application and a proposed charter to the Board of Regents for its review.⁶ The Regents may approve or return the proposed charter to the Board of Trustees with the Regents' comments and recommendation. In the former case, the charter will then issue and become operational on the day the initial charter expires. In the latter case (return to the Board of Trustees), the Board of Trustees must review the returned proposed charter in light of the Regents' comments and respond by resubmitting the charter (with or without modification) to the Regents, or by abandoning the proposed charter. Should the Board of Trustees resubmit the charter, the Regents have thirty days to act to approve it. If they do not approve the proposed charter, it will be deemed approved and will issue by operation of law.⁷

³ § 2851(4) of the Act.

⁴ Further explication of these policies and procedures is available on the Charter Schools Institute's website. See <http://www.newyorkcharters.org/howto/renewal.html>.

⁵ See § 2852(2) of the Act.

⁶ See § 2852(5) of the Act.

⁷ See §§ 2852(5-a) and (5-b) of the Act.

Process for Renewal

While that renewal process formally commences with submission of a renewal application, a school must work to make the case for renewal from the time it is chartered. From its inception, the school must build its case for renewal by setting educational goals and thereafter implementing a program that will allow them to meet those goals.

Under the State University's accountability cycle, a school that is chartered enters into a plan (the "Accountability Plan")⁸ setting forth the goals for the school's educational program (and other measures if the school desires) usually in the first year of the charter. Progress toward each goal is determined by specific measures. Both goals and measures, while tailored in part to each school's program, must be consistent with the Institute's written guidelines. When the Accountability Plan is in final form, it receives approval from the Institute.

Thereafter, the charter school is required to provide an annual update on its progress in meeting its Accountability Plan goals and measures (the "Accountability Plan Progress Report").⁹ This permits the school not only the ability to provide all stakeholders with a clear sense of the school's progress, but forces the school to focus on specific academic outcomes. In the same vein, both the Institute and the State Education Department conduct visits to the school on a periodic basis. The main purpose of the Institute's visits is to determine the progress the school is making in implementing successfully a rigorous academic program that will permit the school to meet its Accountability Plan goals and measures. Reports and de-briefings for the school's Board or leadership team are designed to indicate the school's progress, its strengths and its weaknesses. Where possible, and where it is consistent with its oversight role, the Institute provides general advice as to potential avenues for improvement. To further assist the school in this regard, the Institute may contract with third-party, school inspection experts to conduct a comprehensive third-year visit to the school and to look specifically at the strength of the school's case for renewal at that point.

By the start of the fifth year of a school's charter (as set forth above), it must submit an application for charter renewal, setting forth the evidence required by law and the State University. Applicant charter schools are asked to formulate and report evidence of success in answer to four renewal questions:

- Is the school an academic success?
- Is the school a viable and effective organization?
- Is the school fiscally sound?
- If the school's charter is renewed, what are its future plans?

⁸ See <http://www.newyorkcharters.org/resource/reports.html> for detailed information on Accountability Plan guidelines.

⁹ See <http://www.newyorkcharters.org/resource/Model%20Progress%20Report1.pdf> for a model Accountability Plan Progress Report.

The application is reviewed by Institute staff. The staff also conducts a desk audit to both gather additional evidence as well as verify the evidence the school has submitted. This audit includes examination of the school's charter, including amendments, Accountability Plan, Accountability Plan Progress Reports, Annual Reports and internal documents (such as school handbooks, policies, memos, newsletters, and Board meeting minutes). Institute staff also examines audit reports, budget materials, and reports generated over the term of the school's charter both by the Institute and the State Education Department.

Thereafter, the Institute conducts a multi-day site visit to the school. Based on a review of each school's application for charter renewal, a lead member of the Institute's renewal visit team works with the school's leadership to design a visit schedule and request any additional documentation the team may require to ensure that analysis of the school's progress is complete (professional development plans, special education plans, school newsletters, *etc.*). Renewal visit team members visit classes, observe lessons, examine student work, sit in on school meetings, interview staff members and speak informally with students. In addition, the team conducts extensive interviews with the school's board of trustees and administrators.

The evidence that the Institute gathers is structured by a set of benchmarks that are grouped under the four renewal application questions listed above. These benchmarks are linked to the accountability plan structure and the charter renewal requirements in the Act; many are also based on the correlates of effective schools.¹⁰

Following the visit, the Institute's renewal team finalizes the analysis of all evidence generated regarding the school's performance. The Institute's renewal benchmarks are discussed and the lead writer uses the team's evidence and analysis to generate comments under each renewal benchmark. The completed benchmarks present a focus for discussion and a summary of the findings. The benchmarks are not used as a scorecard, do not have equal weight, and support but do not individually or in limited combination provide the aggregate analysis required for the final renewal recommendation.

The Institute then prepares a draft report and provides a copy to the school for its review and comment. The draft contains the findings, discussion and the evidence base for those findings, but does not contain a recommendation. Upon receiving a school's comments, the Institute reviews its draft, makes any changes it determines are necessary and appropriate and determines its findings in their final form. The report is then finalized, recommendations are included, and copies are provided to the members of the Committee on Charter Schools, the other members of the Board of Trustees and the schools themselves. This report is the product of that process.

¹⁰ See <http://www.effectiveschools.com>.

READER'S GUIDE

This renewal report contains the following sections: Introduction, Reader's Guide, School Description, Recommendations and Executive Summary, Findings and Discussion and completed Renewal Benchmarks. As this guide, the Introduction, and School Description speak for themselves, no guidance is provided for these sections. Guidance as to the remaining sections is set forth below.

1. Executive Summary and Recommendations

The Institute's Recommendations are the end result of its review process. In this section, the Institute provides not only its recommendation as to whether the charter should be renewed, but the recommended terms of any renewal, *i.e.*, short or long-term, grades and number of students it is recommended the school be authorized to serve, conditions under which the charter is renewed, *etc.* Following the recommendations themselves is a short executive summary that lays out in abbreviated form reasons for the recommendation as well as the findings that support the recommendation.

Pursuant to the State University Renewal Practices, the recommendations made by the Institute can take the following forms.

- *Early renewal:* available to schools in the fourth year of the charter that can at that point make a compelling and unambiguous case for renewal. Schools that gain early renewal will then have five full years of instruction before facing renewal again, thus allowing them to concentrate on instruction and providing them with more ready access to capital markets.
- *Short-term planning year renewal:* available to schools that have taken one or more planning years. These schools will be able with limited review to obtain renewal in order to allow them to gather at least four full years of data before facing a full-blown renewal review.
- *Renewal:* available to schools in their fifth year. Schools that have a compelling and unambiguous case for renewal will be eligible for renewal term of five years.
- *Renewal with conditions:* available to schools that 1) have a compelling and unambiguous educational record of success but that have material legal, fiscal or organizational deficiencies that practically cannot be completely corrected by the time of renewal — so long as such deficiencies are not fatal to a determination that the school is fiscally, legally and organizationally sound, or 2) have demonstrated sufficient academic performance for renewal, but require conditions to improve the academic program. Such

conditions may include but are not limited to restrictions on the number of students and grades served.

- *Short-term renewal:* available to schools in their fifth year that present an ambiguous or mixed record of educational achievement, but that have effectively implemented measures to correct those deficiencies and such measures are likely to lead to educational success and students' academic improvement with additional time. Typically, but not always, short-term renewal will be for two years. A short-term renewal may also be coupled with conditions relating to organizational, fiscal or legal deficiencies.
- *Restructuring renewal:* available to schools that have not presented a case for renewal of any kind, but that are voluntarily willing to enter into a restructuring plan whereby the current school would cease instruction at the end of the school's final year of instruction under the current charter and its Board of Trustees would wind up operations of the school. Thereafter, the school's Board would legally commit itself to implementing a wholesale restructuring of the education corporation, including a new Board of Trustees, administrative team, academic program, enrollment and organizational structure, and potentially a new location, which school then could meet and exceed state standards and all the requirements of the Act. Once restructured the education corporation would have authority to recommence instruction.
- *Non-renewal:* where a school does not present a case for renewal (short term, conditional, or otherwise), the charter will not be renewed and the charter will be terminated upon its expiration.

In addition to discussing the recommendations themselves (and any conditions made part of those recommendations), the executive summary also contains the findings required by subdivision 2852(2) of the Education Law, including whether the school, if renewed, is likely to improve student learning and achievement.

2. Finding and Discussion

The findings are grouped and separated into four sections corresponding to the four questions that a charter school seeking renewal must answer and must provide evidence supporting its answer. They are:

- Is the school an academic success?
- Is the school a viable and effective organization?
- Is the school fiscally sound?
- If the school's charter is renewed, what are its future plans?

Below each group of findings is a summary of the evidence supporting the finding. This evidence is a synthesis of information gathered over the life of the school's charter and is analyzed through the lens of the Institute's Renewal Benchmarks (available on the Institute's website).

The ordering of the findings—with those regarding a school's academic performance and outcomes placed first—reflect the fact that renewal of a State University authorized charter is primarily based on a school's progress towards performance-based goals that the charter school and the Institute agreed to in the school's Accountability Plan. However, while success in meeting these goals is the primary determining factor, the school's ability to demonstrate that its educational program as implemented is effective and that the organization is viable, fiscally stable and in compliance with applicable law are also important factors. So, too, the school must be able to show that its plans for the charter renewal term are feasible, reasonable and most of all achievable.

3. Renewal Benchmarks

The Renewal Benchmark section contains each renewal benchmark together with a review of the pertinent evidence gathered during the renewal cycle. As noted earlier, the benchmarks, similar to the findings, are grouped under the four renewal questions.

SCHOOL DESCRIPTION

The Merrick Academy - Queens Public Charter School (Merrick, the Academy, or Merrick Academy) was approved by the State University Board of Trustees in June of 2000 and by the Board of Regents in May of that year. Originally housed in temporary space in Springfield Gardens, the school opened in September of 2000 with an enrollment of 121 students in Kindergarten through second grades. At the time of the renewal visit, the school was located in refurbished space on Jamaica Avenue in Queens Village. The school will enroll 450 students in Kindergarten through sixth grades when it opens for the fifth year of its charter in the fall of 2004.

Merrick Academy's mission statement is as follows:

The mission of Merrick Academy is to become one of the finest public schools in America. The Academy will be built on the philosophy that all children can learn and the Academy will ensure that all students meet or exceed New York State performance standards.

The focus of the Academy will be on the core skills of reading, language and mathematics. The Academy will be organized to provide an extended day, a high degree of individualized instruction and an innovative research-based academic curriculum.

The school's founding Principal and Board members continue to guide Merrick Academy's operation. The school's Board of Trustees contracts with Victory Schools, Incorporated for its management. Victory Schools seeks to improve public education by assisting in the start-up and management of public charter schools of outstanding quality, particularly those created to serve at-risk students. Built on the premise that all children can learn, Victory Schools uses an educational program that employs Direct Instruction, Scott Foresman Reading, Core Knowledge, Everyday Mathematics, and an extended school day schedule featuring a strong enrichment component based on thematic curricula.

EXECUTIVE SUMMARY AND RECOMMENDATIONS

Recommendation No. 1: The Charter Schools Institute recommends that the State University Board of Trustees approve the application for renewal of the Merrick Academy – Queens Public Charter School and renew the charter of Merrick Academy for a period of five years subject to the applicable terms of the renewal application and subject to the following additional conditions: Merrick shall have authority to provide instruction in grades Kindergarten through six with an enrollment of 450 for any portion of the 2004-05 school year; thereafter the school's authority to provide instruction shall be limited to grades Kindergarten through five with a maximum enrollment in each such year of 570 students, and at all times consistent with the other applicable terms of the renewal application.

Summary Discussion

The Institute recommends that Merrick be granted a full-term renewal of five years, the longest period that the law provides. Merrick has met many, though not all, of the measures of student academic performance it set for itself in its Accountability Plan, including, of particular note, meeting the target for the number of students at New York State standards in both English Language Arts and mathematics in the fourth year of its charter, the latest data available. As a whole, the student achievement data the school has amassed during its first four years of operation indicates that the school has significantly improved student learning and achievement, and the school is in good standing under No Child Left Behind.

At the time of the renewal visit in spring 2004, the school generally had effective systems and programs in place that provide a basis for concluding (together with the outcome data noted above) that the school would, if approved for renewal, likely continue to improve student learning and achievement. In addition, the school has benefited from consistent leadership at the school's Board of Trustees and Principal level, located and renovated a suitable facility, and maintained overall financial health. The school is a viable and effective organization.

The school asked in its renewal application for authority to provide instruction in grades Kindergarten through eight. While the instructional program at the Kindergarten through fourth grades is strong, the program in grades five, and especially six, is less so. Moreover, while the written plans for providing instruction in all middle school grades are nominally complete, the Institute does not find that the school has the personnel, programs and capacity that permit the Institute to find a likelihood of success in improving student achievement in the sixth, seventh and eighth grades. Accordingly, the Institute recommends that renewal be conditioned by

limiting the authority of the school to provide instruction during the second term of the charter to students in grades Kindergarten through five with a maximum enrollment of 570.¹¹ As so configured and conditioned, the school is likely to improve student learning and achievement. So, too, the school and its programs as described in the charter application meet the requirements of the Charter Schools Act and other applicable law.

¹¹ The Institute's recommendation to permit the school to continue to provide instruction to grade six students during the remainder of the 2004-05 school year takes into account the fact that the school is currently providing instruction in that grade and that the current charter expires on May 4, 2005. The alternative would require the school to end instruction in grade six before the end of the school year, an option which is not educationally sound.

FINDINGS AND DISCUSSION

1. Is the School an Academic Success?

Finding 1: The school posts positive results in meeting the absolute and comparative goals of student achievement as measured by New York State assessments in English Language Arts, mathematics and science. As measured by a nationally-normed standardized achievement test, the Iowa Test of Basic Skills (ITBS), Merrick's students generally score on grade level. The school has posted mixed results in increasing student performance over grade level as called for in its value-added accountability goal.

Finding 2: Using student achievement data as a guide, the school has, over the life of its charter, modified and augmented its curriculum. At the time of the renewal visit, the school's curriculum is aligned with state standards and in use at each grade level.

Finding 3: In the first three years of the school's charter, classroom instruction at Merrick Academy - Queens Public Charter School was well suited to the grade levels the school served and the previous English Language Arts and mathematics curriculum. The modified curriculum and the school's growth to serve students in upper elementary and early middle school grades requires a level of robust instruction the school has yet to achieve.

Finding 4: Over the term of its charter, the school has had an internal assessment program that includes teacher-developed rubrics to assess student proficiency in the achievement of state standards. The assessment program has been modified to match the school's newly aligned curriculum. The school has yet to develop this program into an internal system of assessment that ensures consistency of use within and across grade levels.

Finding 5: Instruction in fifth and sixth grades is weak and inadequate as are the supports for it.

Finding 6: The current student code of conduct, as written, is sufficient. However, as implemented, it has not fully supported a rigorous learning environment.

Finding 7: Merrick Academy - Queens Public Charter School's fine arts program provides strong enrichment and augmentation of academics and serves as a centerpiece for the school and community.

At the end of its fourth year of operation, Merrick Academy has demonstrated academic achievement as measured by the absolute

percentage of students at state standards and by the percentages of students at state standards in comparison with its community school district and individual public schools enrolling similar students. In particular, Merrick met four out of five absolute measures of academic success and nine out of twelve comparative measures of academic success as indicated by its performance on the New York State assessments in English Language Arts, mathematics and science.

To gauge academic success by measuring year-to-year achievement (the “value” the school provides the children it enrolls), Merrick Academy administers the Iowa Test of Basic Skills (ITBS). This test is a nationally-normed standardized achievement test administered to hundreds of thousands of students across the United States. Merrick Academy posts mixed results in achieving its value-added ITBS English Language Arts and mathematics scores. While students at Merrick Academy consistently score at grade level, the school has not yet met a level of achievement that meets its value-added goal of a three percentile gain for all students each year.

Consistent with its success in meeting many of its outcome measures, Merrick Academy has built over the life of the charter a solid academic environment where achievement and class participation have been valued. In its first three years, instruction was girded by a detailed English Language Arts and mathematics curriculum that provided teachers with exacting and detailed lesson plans and a set of internal school assessments to assist in both instruction and tracking student progress toward academic goals. During its third year, the school, while having determined that its original curriculum sufficiently served to assist students in acquiring the basic skills necessary for academic advancement, decided to modify its curriculum to further enhance student performance, especially as to students’ acquisition of higher-order thinking skills.

At the time of the visit, the new curriculum and accompanying internal assessment system were in place. While the curriculum as now presented remains aligned with state standards, it requires much more instructional proficiency from Merrick Academy’s teaching staff and instructional leadership, a proficiency the school has yet fully to reach. This premium on those critical qualities is further increased by the school’s need to knit together disparate internal assessments into one detailed, defined and fully implemented assessment system. Though the school has rightly identified the need to expand its structure to include additional instructional leadership to assist the school’s founding Principal in accomplishing these tasks, the necessary personnel are not yet in place.

A lack of sufficient structures at the curriculum and assessment level, as well as the lack of proficiency in instruction is particularly notable in fifth

and sixth grades. Instructors in those grades are generally new to the field and none has more than three years experience; all are new to Merrick. The level of instruction at the school is weak, generally below grade level, and insufficient to prepare students for success in middle school.

Merrick Academy - Queens Public Charter School has also succeeded in developing a school culture where students displayed behavior that promoted an academically focused environment when it enrolled children in primary grades. The student discipline code of conduct is sufficient as written and implemented in the primary grades. However, Merrick has yet to create the kind of culture at the upper grades that promotes academics with consistency.

Of note as well, the school's arts program boasts some of the finest instruction observed during the renewal visit. Providing students with an opportunity to learn pride in the production and performance of the arts and to support their community through displays and performances, Merrick Academy's arts program not only draws the community into the school, but expands the knowledge, skill, and depth of understanding for the humanities in its students.

2. Is the School an Effective, Viable Organization?

Finding 1: *Parents are strong and articulate supporters of the school. The school's nurturing culture and expectations are valued and actively supported by Merrick's parents. Strong parent-school communication results in a common focus on student academic success.*

Finding 2: *The school's instructional staff appears qualified to implement its program as envisioned in the charter. The school has rightly identified the need to provide additional, classroom-based professional development that will permit a more rigorous instructional program and in turn fulfill its mission of becoming one of the finest public schools in America.*

Finding 3: *Based on evidence to date and a review of relevant policies, Board minutes and interviews, the school appears to have been, and presently appears to be, generally in substantial compliance with applicable laws, rules and regulations, and the provisions in its charter.*

Merrick Academy - Queens Public Charter School continues to benefit from the leadership of a majority of members of its founding Board and its founding Principal. Through the leadership of the Board and the Principal, the school has successfully worked with their educational management company, Victory Schools, to build not only an instructional program, but to create a facility suitable to the school's needs. Merrick Academy has been in substantial compliance with applicable laws, regulations and

charter provisions as required under state law. The school is fully enrolled and boasts a waiting list of 110 percent of its total enrollment, with the parents of 510 children hoping to enroll their child in Merrick Academy.

As noted above, the school's curriculum changes necessitate the need for increased instructional abilities on the part of classroom teachers, especially at the upper grades. Merrick Academy's Principal has worked with the professional development staff provided by the school's educational management company, Victory Schools, to provide teachers with opportunities to increase their instructional skills. While this arrangement was sufficient in the early years of the school's charter, the instructional demands of upper elementary and lower middle school grades, as well as a new curriculum, necessitate a stronger professional development program at the school. Merrick Academy's Principal and Board of Trustees has determined that to produce a teaching staff that has the skills, knowledge and abilities to facilitate the Academy's mission to become one of the finest public schools in America, additional instructional leadership focused on the upper grades is required. The school has rightly determined they must create an additional leadership position focused specifically on raising the rigor of instruction at the upper elementary/early middle school grades.

3. Is the School Fiscally Sound?

Finding 1: Throughout the life of its charter, the school has consistently and in a timely fashion met its financial reporting requirements and maintained appropriate internal controls. Additional controls and process improvements continue to be developed.

Finding 2: The Board has not fully implemented effective financial oversight. The Board has provided adequate financial oversight during the term of its first charter.

Finding 3: The school's financial condition has been generally weak but stable. While the school has not always operated on a balanced budget, it has never experienced an operating cash shortfall.

Over the life of the Merrick Academy charter, the Board has provided adequate financial oversight and has posted evidence of making decisions that further the school's mission, program and goals. The Board has recently begun to strengthen that oversight through the creation of a finance committee, but that committee has yet to maximize its role. The Board's finance committee is developing new policies and procedures that provide an increase in oversight. The school operates pursuant to a long-range fiscal plan and has produced realistic budgets over the term of the charter. The school has never experienced an operating cash shortfall due

to an agreement with Victory Schools whereby a portion of the management and central service fees are deferred.

The school has generally complied with financial reporting requirements and submitted annual financial statement audit reports with unqualified opinions indicating that the school's financial statements fairly represent its financial position. Reports have been complete and the school has followed generally accepted accounting principles.

4. What Are the School's Plans for the Renewal Period and Are They Reasonable, Feasible and Achievable?

Finding 1: Merrick Academy - Queens Public Charter School has submitted academic plans for the term of the next charter that include expansion to a full middle school, grades Kindergarten through eight. While the program as written is complete, both the available quantitative data (which is limited) and the qualitative evidence gathered during the renewal process indicate that the school has yet to create a consistent culture of rigorous instruction in the upper grades and does not have in place the appropriate supports to make the rapid improvement that the school will need to make in order to establish a highly successful middle school.

Finding 2: Critical to the success of children in grades four and above will be the school's ability to increase instructional consistency and rigor. While the written plans that were submitted in spring 2004 are feasible, the beginning implementation of the plans as observed in December 2004 do not give the Institute confidence that the plans, as carried out, are achievable.

Finding 3: The school's future plans continue Merrick Academy's current governance structure. The Board of Trustees will continue to contract with Victory Schools to provide education management services. The school's founding Principal plans to continue to provide school leadership and add a curriculum expert to champion classroom-based teacher professional development on a daily basis. The Institute's analysis shows that these plans are reasonable, feasible, and achievable.

Finding 4: The school has provided a reasonable and appropriate five-year fiscal plan for the term of a future charter.

Merrick Academy - Queens Public Charter School has presented a written curriculum plan for the term of the next charter that is reasonable and feasible. The curriculum meets state performance standards. In addition, the school has presented an assessment plan that is feasible and reasonable. The school has also determined that the level of instructional rigor, especially in the upper elementary/early middle school years has yet

to reach the level required to become one of the finest public schools in America, a conclusion that the Institute verified in its renewal visits. As such, the school has identified the need for additional instructional leadership. As part of its application, the school submitted plans to meet that need, and the Board indicated during the renewal visit that, as the school would be teaching both fifth and sixth grade, commencement of implementation would not wait for the new renewal term but would begin in the 2004-05 school year (the school's fifth year of its charter).

While the plans as written are sufficient, the Institute cannot find that they are likely to be achievable.¹² The Institute's concerns are the result of the following factors and evidence.

First, while the data is limited and ambiguous, it raises concerns about the present level of instruction in the upper grades. In particular, the fifth grade in 2003-04 performed extremely poorly on the New York City fifth grade math assessment (10 percent proficient), though not on the corresponding English Language Arts assessment; so, too, performance of fourth graders on the fourth grade New York State English Language Arts assessment declined as well. Moreover, the value-added data that the school has posted does not indicate a positive trend.

Second, evidence in the upper grades that the Institute gathered during the renewal visit in spring 2004 and subsequent one-day visit in December 2004, raise significant concerns about the strength of the program in fifth and sixth grades. As indicated in the findings to Questions 1 and 2, Merrick currently faces significant challenges in strengthening the rigor of its instruction and in creating a more rigorous school culture and classroom environment. This work will take substantial time, energy and resources that will overtax the present personnel, supports and structures that the school has in place and apparently plans to have in place.

Third, the beginning steps that the school has taken to improve and strengthen instruction in the upper grades in the 2004-05 school year (the school's fifth year of its charter) are inadequate and ineffective—and give no basis for providing confidence that the plan, once fully implemented, will result in the necessary significant improvements. In particular, the school still does not have an effective and substantial structure for providing instructional leadership to teachers in the upper grades. Moreover, the school has chosen to hire an inexperienced team of

¹² The Accountability Plan as submitted in the renewal application is generally reasonable and feasible; however certain additional measures may be required in order to take account of changes in the New York State's testing regimen or revisions to the Institute's Accountability Plan Guidelines. In such cases, these additional measures will be added either prior to the execution of a new proposed renewal charter or thereafter.

teachers, who will make implementation of the school's plans to better its program that much more difficult.

In regards to its continued association with its present management partner, the Board of Trustees at Merrick Academy has submitted plans to continue the school's contract with Victory Schools for the provision of education and business management. The Board has recently increased the level and rigor of its oversight of Victory Schools. The Institute finds these plans to be reasonable, feasible, and achievable.

Regarding its fiscal status, at the end of this charter period, the school is in a stable but weak financial position attributable to facility constraints which limited the school's enrollment and expansion. The Institute finds that the school's financial position during the term of a future charter should stabilize and strengthen assuming the continued demand for enrollment in the school.

RENEWAL BENCHMARKS

Evidence Category	Benchmarks	
Renewal Question 1 Is the School an Academic Success?		
Benchmark 1A Academic Attainment & Improvement	1A.1.1	Absolute Measures (New York State Assessments): The school meets or has made meaningful and consistent progress towards meeting the outcome measures contained in its Accountability Plan over the term of the school's charter.
	1A.1.2	Comparative Measures: The school meets or has made meaningful and consistent progress towards meeting the outcome measures contained in its Accountability Plan over the term of the school's charter.
	1A.1.3	Value Added Measures: The school meets or has made meaningful and consistent progress towards meeting the outcome measures contained in its Accountability Plan over the term of the school's charter.
	1A.1.4	NCLB Measure: The school has made adequate yearly progress as required by NCLB.
	1A.1.5	Unique Academic Measures: The school meets or has made meaningful and consistent progress towards meeting the outcome measures contained in its Accountability Plan.

Academic Attainment & Improvement

Merrick Academy - Queens Public Charter School has generally met its academic outcome measures on state examinations. Where it has not met them, its progress has been mixed. These results are based on somewhat limited data insofar as it has administered state examinations in only the last two years of its four years of operation.

In its absolute level of performance on the fourth grade state examinations, Merrick has for the most part met the criterion of success set in its outcome measures. In 2002-03, the school met its absolute objectives on all three state examinations for fourth graders. In

2003-04, Merrick met its math and science objectives, but did not meet its ELA objective.

In its comparative level of performance on the fourth grade state examinations, Merrick has mostly outperformed in ELA the similar schools in Community School District (CSD) 29 it identified in its Accountability Plan. It scored higher than two of the three comparison schools scored, and about the same as the third school scored, on the ELA examination in both 2002-03 and 2003-04 and on the science examination in 2002-03. In the case of math, it outperformed one of the comparison schools in 2002-03, but none of the schools in 2003-04. Merrick's ELA and math performance in comparison to CSD 29 follows the same pattern as that of the similar schools: better in ELA and not as good in math.

Results have been mixed on the value-added to student learning according to spring to spring cohort gains on the ITBS Test. In Total Reading, the average score of each cohort from spring to spring declined in the three years for which results can be calculated.¹³ In Total Math, the average score of each cohort from spring to spring declined in the first two years and increased substantially in the third year such that the school exceeded the goal of its value-added math outcome measure in 2003-04.

The State Education Department has deemed Merrick to be a *Charter School in Good Standing*, which indicates that the school has not failed to make adequate yearly progress for two successive years under the NCLB requirements. Merrick did not include any unique outcome measures in its Accountability Plan.

Overall, the results indicate that most Merrick students are being prepared for middle school by virtue of the proportion who are scoring proficient on the fourth grade state examinations. Merrick students have generally performed better than comparison schools, especially in ELA. Merrick results on the New York City third and fifth grade ELA examination are consistent with these strong comparative ELA results on the state examination. These results indicate that the academic program has had some success; however, the value-added data also show that the instructional program has not enabled students to make consistent progress across the grades in reading.

The math results show that Merrick has begun to make progress toward achieving the value-added outcome measure for math. Students in the third and fourth grades made substantial gains on the ITBS test.

Accountability Plan Goals

In its Accountability Plan, Merrick Academy - Queens Public Charter School set outcome measures to demonstrate its academic success in the key subjects of English Language Arts (ELA) and mathematics, as well as science and social studies. The outcome measures include the following three required types: 1) the absolute level of student performance on state examinations; 2) the comparative level of student performance on state examinations; and 3) the value-added to student learning according to year-to-year comparisons of student cohort performance on a school-selected

¹³ In its renewal application, Merrick reports a gain in the average score of cohorts when calculating fall to spring results within the same school year. Typically, fall to spring gains are greater than those for spring to spring, because of a summer fall-off in scores and initial unfamiliarity with the test. In order to track students' achievement more seamlessly over time, longitudinal comparisons from spring to spring are preferred.

standardized test. The following tables indicate the specific outcomes Merrick set for itself accompanied by its annual results.¹⁴

In addition to being held to these accountability measures, Merrick is expected, under No Child Left Behind (NCLB), to make adequate yearly progress toward enabling all students to score at the proficient level on the state ELA and math examinations. In holding charter schools to the same standards as other public schools, the state issues a school accountability report. Merrick's accountability status in the most recent report is indicated below.

Finally, other outcome measures, besides the three required ones, are presented.

Absolute Level of Performance on State Examinations

Accountability Plan		Results School Year			
Subject	Outcome Measure	Grade	2000-01	2001-02	2002-03
ELA	The Academy's "Performance Index" (SPI), calculated to include only those students enrolled for two or more years, will meet or exceed State Standard, SPI = 150 , during each year of the charter.	4	No students in grade	No students in grade	163 143
Math	The Academy's "Performance Index" (SPI), calculated to include only those students enrolled for two or more years, will meet or exceed State Standard, SPI = 150 , during each year of the charter.	4	No students in grade	No students in grade	156 153
Science	The Academy will meet or exceed all State Standard: 40 percent of students will score at state designated mastery level	4	No students in grade	No students in grade	63.0 74.3%
Social Studies	The Academy will meet or exceed all State Standard	5	No students in grade	No students in grade	No students in grade N/A

¹⁴ Please note: since Merrick has had a fourth grade for two years, it administered the state examinations for the first time in 2002-03. Social studies and science test scores are not available for 2003-04. As 2001-02 was the school's first year of operation, there are no value-added cohort results for that year.

Comparative Level of Performance on State Examinations

Accountability Plan		Results				
Subject	Outcome Measure	Grade	Comparison	School Year		
				2000-01	2001-02	2003-04
ELA	A greater percentage of Academy students enrolled in the school for two or more years will perform at or above Level 3 than will students at Similar Schools.	4	Merrick	No students in grade	No students in grade	68.8%
				PS 134	40.0%	33.8%
				PS 135	N/A	68.9%
				PS 136	44.9%	41.6%
				CSD 29 *	54.1%	49.2%
Math	A greater percentage of Academy students enrolled in the school for two or more years will perform at or above Level 3 than will students at Similar Schools.	4	Merrick	No students in grade	No students in grade	62.5%
				PS 134	48.5%	60.9%
				PS 135	N/A	69.7%
				PS 136	67.2%	62.6%
				CSD 29 *	66.3%	67.1%
Science	A greater percentage of Academy students enrolled in the school for two or more years will perform at score at state designated mastery level than will students at Similar Schools.	4	Merrick	No students in grade	No students in grade	67.0%
				PS 134	42.0%	
				PS 135	N/A	71.0%
				PS 136	40.0%	
				CSD 29 *		63.2%
Social Studies	A greater percentage of Academy students enrolled in the school for two or more years will perform at or above Level 3 than will students at Similar Schools.	5	Merrick	No students in grade	No students in grade	No students in grade
				PS 134	42.0%	N/A
				PS 135	N/A	N/A
				PS 136	N/A	N/A
				CSD 29 *		N/A

* The results for the district are presented as an additional comparison; it is not included in the Accountability Plan.

Value-Added to Student Learning According to Spring-to-Spring Cohort Gains

Accountability Plan		Results				
Subject	Outcome Measure	Grades	School Year			
			2000-01	2001-02	2002-03	2003-04
Reading	Each cohort of Academy students will improve their reading skills by an average of 3 percentiles per year in national rank, according to the reading battery of the Iowa Test of Basic Skills (ITBS). Cohorts will include the scores of all eligible students in grades K-6. (Results reported in NCEs)	All	N/A	(-6.5)	(-4.9)	(-2.6)
Math	Each cohort of Academy students will improve their math skills by an average of 3 percentiles per year in national rank, according to the reading battery of the Iowa Test of Basic Skills (ITBS). Cohorts will include the scores of all eligible students in grades K-6. (Results reported in NCEs)	All	N/A	(-8.7)	(-7.3)	4.9

Adequate Yearly Progress as Required by NCLB

The State Education Department's School Accountability Report states Merrick's 2003-04 School Accountability Status: *Charter School in Good Standing*, which indicates that the school has not failed to make adequate yearly progress for two successive years

Student Achievement According to Unique Academic Measures

The school had no additional academic outcome measures in its Accountability Plan.

<p>Benchmark 1B</p> <p>Use of Assessment Data</p>	<p>1B</p> <p>The school effectively and systematically uses assessment and evaluation data to improve instructional effectiveness and student learning.</p> <p>A school that fully meets this benchmark will have put in place during the life of the charter a system for the effective use of assessment data. Such a system would include at least the following elements.</p> <ul style="list-style-type: none"> ● the collection and analysis of student performance data, including data gathered from an analysis of student work pursuant to a set of well-defined and well-aligned standards; ● the use of assessment instruments and data to determine accurately whether State performance standards and other academic goals are being achieved; ● the use of assessment data to make changes and improvements, where the data indicates a need, to curriculum and instruction; ● the regular communication between teachers and administrators of assessment results and a common understanding between and among teachers and administrators of the meaning and consequences of those results; and ● the regular communication to parents of assessment data to assist them in their efforts to improve student learning and achievement. <p>More generally, a school should be able to demonstrate a system where performance standards, instruction, required student work and assessments are integrated and have led to increased student knowledge and skills.</p>
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The school's original curriculum design utilized Direct Instruction for both reading and mathematics. Implementation of Direct Instruction¹⁵ curriculum includes a prescribed series of individual student assessments that track students' attainment of knowledge and skills as they progress through a series of lessons. During the early years of its charter, Merrick Academy used this system of assessments to track student progress toward academic goals. Student performance on the Direct Instruction assessments was recorded, aggregated, and analyzed by staff with assistance from curriculum experts from the school's education management company, Victory Schools. Using the data from this internal assessment system, student performance data generated by the use of teacher-developed rubrics, and data in the SchoolWorks, LLC report from the Charter Schools Institute in the third year of its charter, the school analyzed its curriculum model and made the modifications noted above.

Though limited in its scope, the school's previous curriculum did provide a ready-made internal assessment system. The shift away from the previous curriculum and system of assessments requires Merrick Academy to build its own system of internal assessments

¹⁵ Information on the Direct Instruction curriculum can be found at the National Institute for Direct Instruction's web site: <http://www.nifdi.org/>.

that provide reasonable and reliable indications of progress toward state standards. The school has yet to create and implement such a system.

At the time of the renewal visit, virtually all of Merrick Academy's teachers provided evidence that the school has set in place a set of disparate assessment strategies. Teachers provided records of classroom student achievement which most used to facilitate the creating of student achievement reports or report cards. This data is entered into an Excel spread sheet and provided to the Principal on a monthly basis. This "Excel Grid," as it is termed by the teachers, includes standardized, teacher-developed, and curriculum unit test scores as well as rubric scores and data on the completion and correctness of homework assignments. While teachers and the Principal report that it is used to monitor individual student performance for possible placement in the school's Title I program, there is no evidence that it is used, discussed and analyzed on a regular basis to assess the effectiveness of the school's instructional program.

The school has also begun development of an internal system of assessment that relies on the use of rubrics.¹⁶ A rubric is a scoring guide that lists the expected quality of student work or the attributes by which a student's work will be evaluated. For example, a rubric used to evaluate a piece of student writing would typically include a list of clear expectations regarding the level of proficiency required in the mechanics of writing – *i.e.*, punctuation, capitalization – and levels of skill for creativity, persuasiveness, *etc.*

The key features of a strong internal assessment system that uses rubrics to gauge student achievement include external and internal alignment of expectations for student work products to the goals students must ultimately achieve – in this instance – the state performance standards. Also critical is a clear progression of difficulty and complexity in what is expected from Kindergarten to first grade, and then to second grade, continuing up through each grade level served at the school. Institute visitors did not find such alignment in Merrick Academy's internal assessment system in place at the time of the renewal visit.

Rubrics used for the analysis of student work in any subject are only beneficial to the extent that they reflect what is required in state standards and incite students to achieve at the expected level of performance. After examination of student work and interviews with the school's staff and administration, Institute visitors found little evidence that the rubrics developed and used at Merrick Academy are linked to and are reflective of the expectations demanded of students by the New York State performance standards.

Administration and staff at the school agreed that the school's development of a system of internal assessments that reflect the demands of state standards were in a nascent stage of development. The Principal plans to provide staff with training during the summer of 2004 with the hopes of implementing a full portfolio system during the 2004-05 school year. However, at the time of the renewal visit, staff and administrators were unable to clearly articulate the necessary components of a strong system of internal assessments. Critical to its development at Merrick Academy will be direct and obvious connections to what is required in New York State's performance standards as well as a clear progression of expectations from grade to grade. Equally as important, and not currently evident at the school, is the consistent application of common, high expectations for student work from teacher to teacher within grade level teaching teams and across all grade levels at the school.

¹⁶ Sources for additional information as well as research on the use of rubrics include the Association for Supervision and Curriculum Development (www.ascd.org) and Phi Delta Kappa (www.pdkintl.org).

Benchmark 1C Curriculum	1C <p>The school has a clearly defined quality curriculum that prepares students to meet State performance standards.</p> <p>The school that meets this benchmark has defined with precision the essential knowledge and skills that all students are expected to achieve (and that are aligned with the relevant State standards) and makes them a priority within the curriculum. Course offerings and outlines reflect those priorities. The curriculum as implemented is organized, cohesive, and seamless from grade to grade.</p>
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As documented in annual visit reports generated over the life of the school's charter, Merrick Academy has implemented a defined curriculum – a set of essential knowledge and skills - that students are expected to achieve. This curriculum included Direct Instruction in both reading and mathematics and the use of Core Knowledge to supplement in the areas of world and United States history, literature, and science. To enhance instruction in English Language Arts, the school also implemented a balanced literacy approach that includes challenging literature selections as well as focused writing instruction.

Despite initial success with this curriculum, in the third year of the school's charter the Principal, Board, and staff examined data on student achievement and determined the use of Direct Instruction for reading and mathematics instruction was beneficial to some students but did not provide the desired challenge or rigor of material necessary to prepare students to meet state standards. As such, the school reviewed possible curricular options and chose to supplement the Direct Instruction curriculum with the use of Scott Foresman reading materials and the University of Chicago's Everyday Mathematics Program. While Direct Instruction strategies and materials are still used to provide foundational skills to students who require additional assistance, the school has begun to implement the new reading and mathematics curriculum.

This new curriculum for grades Kindergarten through five, as set forth in the application, includes a balanced literacy approach comprised of the following elements:

- a two and one-half hour block of instruction in English Language Arts for all students,
- the Scott Foresman Reading Program,
- the readers' and writers' workshop from the National Writing Project and the Great Source Writing Program,¹⁷
- the use of children's literature books to augment the Scott Foresman Reading Program,
- new student pre-assessment using ITBS and/or another screening program,
- unit and end-of-year tests, and
- a phonics and phonemic awareness program to support basic reading skills.

While this program was generally observed to be in place during the June three-day renewal visit, during the December follow-up visit, the schedules for fifth grade did not indicate that there was a two and one-half hour block in English Language Arts instruction; nor was such instruction observed. Rather students had a fifty-five minute period in the morning and an additional hour of writing instruction per week.

¹⁷ Additional information on the National Writing Project can be found at <http://www.writingproject.org>. Information on the Great Source Writing Program is available at www.gswp.org.

In its original charter application, Merrick Academy included an arts-based enrichment program which targeted students at-risk of academic failure. The school looked to “offer children an opportunity to broaden their intellectual horizons and to participate in art, dance, and music.... in a way usually only available to children in economically affluent school districts.” Merrick Academy has implemented this program and it is staffed by local artists who provide an enriching and engaging arts experience for students.

Original works of art and photography provided by the arts staff and generated by students are displayed beside more traditional written work creating a festive and welcoming atmosphere in the school’s public areas. In addition to arts-related field trips that attract almost as many parents as students, the school hosts frequent performances by students and community artists. One classroom is crowded with electric keyboards where students learn to play the piano. The school’s cafeteria doubles as a dance studio. Arts instruction observed during the renewal visit was vibrant, purposeful, and fully engaged all students.

The exceptional instructional abilities of the dance teachers created energetic and productive class periods where all students participated, practiced, and mastered intricate dance moves. Inspectors noted that the dance teachers displayed some of the best classroom management *and* instructional skills of all lessons observed during the renewal visit. These teachers spoke the plain language of good behavior to students and corrected students’ spoken grammar in a manner that set high expectations for behavior and thinking. These teachers’ skills serve as models for teachers charged with delivering academic instruction.

Benchmark 1D Pedagogy	1D.1 <p>Strong instructional leadership girds the school's work in improving student learning and achievement.</p> <p>The school that meets this benchmark has instructional leadership that has demonstrated the capacity to lead the comprehensive implementation of the school's curriculum and has facilitated the alignment of classroom instruction, learning activities, instructional resources, support, and assessments. Instructional leaders at the school ensure that teacher planning time, lesson development, and internal assessment systems lead to the successful attainment of the school's mission and academic goals.</p>
	1D.2 <p>Quality instruction is evident throughout the school fostering an academic learning environment and actively supporting the academic achievement of children.</p> <p>The school that meets this benchmark is one in which classroom practice reflects competent teaching and instructional strategies that engage students. The academic learning environment at the school is one in which effective teaching and learning are valued and supported; there is a clear and strong focus on achievement goals, and student and staff accomplishments are recognized.</p>
	1D.3 <p>The school has strategies in place to identify and meet the needs of students at risk of academic failure, students not making reasonable progress towards achieving school goals, and students who are English Language Learners.</p> <p>The school that meets this benchmark has implemented special programs and provides the necessary resources to help students who are struggling academically to meet school goals. The programs are demonstrably effective in helping students meet goals.</p>

Reports on the school generated by the Charter Schools Institute over the life of the school's charter show that classroom instruction, the path through which curriculum becomes knowledge and skills retained by the students, has been largely satisfactory. Observations during the renewal visit (and the one-day follow-up visit in December 2004) revealed a greater degree of inconsistency than noted in the past in the ability of Merrick's teaching staff to deliver lessons that were focused, purposeful, and resulted in the production of student work that reflects the requirements of state standards. During the initial renewal visit in June 2004, inconsistencies in instruction were most pronounced in second, fourth and fifth grades. During the follow-up visit in December (which focused on instruction in the fifth and sixth grades), instruction was generally poor and unfocused. (At the time of the initial visit in June, the school did not have a sixth grade.) In the fifth and sixth grades, as observed on a single day in December, the majority of teachers spent excessive time on classroom management and did not have clear lesson plans and goals for the classes. While attributed by the administration as an anomaly, observers noted, for instance, that a fifth and sixth grade English lesson used the same book, and that the lesson derived from that book (on identifying conflicts) was

largely the same. In another fifth grade class, “homework” in English Language Arts consisted of copying down in class a few examples of homonyms and synonyms, which had taken the class and teacher an entire hour to generate; in yet another class, the topic and goal of the class, to chart numerical data, was never reached; rather the class spent almost an hour on defining eight words; in two circumstances the definitions supplied by the teacher were incorrect, *e.g.*, “longevity” was defined as the life-span of a living thing, rather than the correct definition: a long life-span.

Not all deficiencies in instruction can be attributed to inexperience. During the initial renewal visit in June, Institute staff observed that the teachers with the least amount of experience displayed the strongest instructional skills relative to the instructional abilities of the overall staff. During the follow-up visit in the 2004-05 school year, all teachers in fifth and sixth grade were inexperienced.

In its fifth year, the school’s instructional leadership is bifurcated. Grades Kindergarten through four are overseen by a staff member; grades five and six by the school Principal, who has little previous experience as a fifth or sixth grade teacher or instructional leader. In the fifth and sixth grades, a coach, employed by Victory Schools and previously a middle school Principal, also provides weekly assistance. In addition, the school receives professional development workshops and in-class coaching for the fifth and sixth grade math and science teachers two and a half days a month. Judged by the Institute’s classroom observations and admittedly limited review of student work during the December one-day follow-up visit, the present system of supports, development and leadership is inadequate to the task in the upper grades. While the leadership has indeed implemented weekly grade-level meetings of teachers and monthly subject-area meetings, as above, the level of instruction is weak and inconsistent. Whether this is a result of insufficient academic leadership or unskilled teachers is unclear. Whatever the cause, the outcome is the same: a lack of rigor, precision, focus and urgency.

The previous Direct Instruction curriculum included highly scripted instructional guides for teachers that precisely identified each step and direction required in a lesson. The Scott Foresman curriculum requires greater depth of instructional knowledge and facility on the part of teachers. The school’s teaching staff did not display such depth of knowledge and skill during renewal visit classroom observations. As such, while the school’s curriculum as written aligns with state performance standards, the implementation of that curriculum has yet to reach a level of rigor and consistency that will allow all students at Merrick to achieve at the highest academic levels.

To ensure that students in need of additional academic support are identified and that individual needs are addressed, Merrick Academy’s organizational structure includes a Director of Support Services, a lead Title I teacher, two assistant Title I teachers, and a certified special education teacher. The school also has a social worker on staff and contracts with an outside vendor to provide students with speech and occupational therapy. The services of a school nurse are provided through the New York City Department of Health.

The school has an established process to identify students in need of academic support. The process relies primarily on the results of the spring administration of the Iowa Test of Basic Skills (ITBS) for students enrolled during a school year. When students new to the school enter in the fall, the school administers the Peabody Individual Achievement Test (PIAT). If a student scores one grade level below his or her current placement, the student receives Title I support. A major focus of this support is English Language Arts and mathematics. Students are provided additional services in the classroom or a separate area of the school depending upon student needs and the space available in the school. Communication between the Title I staff and classroom teachers ensures that students are provided the support necessary to augment classroom instruction.

The school currently has no students identified who need English language learner supports. However, a process to identify such students is in place and is administered by the Director of Support Services.

Benchmark 1E Teaching Staff	1E <p>The school's instructional staff is qualified to implement the school as envisioned in the charter. Teachers are competent in their assigned content area and generally use instructional practices that lead to student academic success.</p> <p>A school that meets this benchmark will be able to demonstrate that teachers are competent in their assigned content area and generally use instructional practices that lead to student academic success. (While handled under the benchmark for legal and charter compliance, it is important to note that a school must also be able to demonstrate that teachers are certified or otherwise qualified under both federal and state law with few exceptions. In instances where the school has not been in compliance with this requirement of law, the school should be able to show that it has taken swift and appropriate remedial measures.)</p>
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Based upon the Institute's review of teacher certification documents, Merrick Academy's teachers are certified in accordance with the Charter Schools Act of 1998. Over the life of the school's charter, Institute reports reflect that substantial portions of the teaching staff were ably implementing the Direct Instruction curriculum. As noted in other areas of this report, evidence gathered at the renewal visit reflects some diminishment in the level of instructional expertise, with weaknesses especially prevalent in fifth and sixth grade. The precision and exactness with which teachers must deliver instruction in order to enable students to reach the state's performance standards was not as much in evidence as it had been in previous years.

<p>Benchmark 1F</p> <p>Student Order & Discipline</p>	<p>1F</p> <p>The school has implemented discipline policies and procedures that promote learning for all students.</p> <p>The school that meets this benchmark has documented discipline policies and procedures (for regular and special education students) and has consistently enforced those policies. As implemented and enforced, the discipline policy will have promoted calm, safe classrooms where students are required to (and not distracted from) participating fully in all learning activities. Students at a school meeting this benchmark will also generally report a reasonable sense of security. A school will also be able to provide appropriate records regarding expulsions and suspensions.</p>
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The school's code of conduct lays out a clear set of expectations for students, teachers, parents, and staff in the creation of a school environment that is designed to promote learning and achievement. Institute reports over the life of Merrick's charter state that a clear sense of academic purpose pervaded the school. Over the charter term, evidence shows that a majority of students were eager to learn and attentive to lessons while in some classrooms teachers did not set high academic or behavioral expectations.

Observations and interviews during the renewal visit showed that teachers are familiar with the code of conduct, but in the fourth year of its charter, Merrick's ability to create a rigorous academically focused environment was challenged. Many teachers used a variety of techniques to productively focus classroom behavior. In the primary classrooms, teachers use a color-coded "behavioral signal," much like a traffic signal, that is posted in the room. Students' names are moved from green – appropriate behavior, to yellow – a warning that behavior is moving away from acceptable standards, to red – the behavior is blatantly disruptive to learning. No such common behavioral strategy was observed in upper grades. During the one-day, follow-up visit in the school's fifth year, behavior remained an issue in the upper grades. Some teachers spent an inordinate amount of time on ineffective behavioral strategies, *e.g.*, repetitions of "eyes on me, count to three," which resulted in only brief respites from overwhelming chatter; shouting "don't make me shout," or "stop shouting." In general, no actual consequences to students for their low-level but chronic disruptions occurred.

Student movement in hallways on the first floor of the school, where the lower grade levels are housed, is purposeful and not disruptive to teaching and learning. On the second floor, where the upper grades and cafeteria/multipurpose rooms are located, a disruptive level of noise and chasing in the hallways was frequently observed during the renewal visit.

The Principal requires teachers to send reports to parents that outline both academic and behavioral achievements of children. The frequency of these reports varies with some teachers reporting weekly and others monthly. The reports do not appear to have a consistent format for tracking behavior or progress toward academic goals.

<p>Benchmark 1G</p> <p>Professional Development</p>	<p>1G.1</p> <p>The school's professional development program aligns with the school's mission, assists teachers in meeting students' academic needs and school goals, and addresses any identified shortcomings in student learning and/or teacher content knowledge.</p> <p>Professional development offerings at a school that meets this benchmark are aligned with the school's educational philosophy and are effective in helping teachers improve instruction. Most importantly, professional development practices at the school are a priority of the school leadership and buttress the instructional program, meet student learning needs and result in increased student achievement. The school's calendar reflects that professional development and instructional planning are a high priority. A school should also be able to demonstrate that necessary support for inexperienced teachers is available. Teachers and school leaders report professional development activities have resulted in gains in teacher pedagogic content, knowledge, and skills and this expertise has led to increased student academic achievement.</p>
	<p>1G.2</p> <p>The school has a system in place for ongoing teacher evaluation and improvement that supports the school's ability to reach the goals contained in its Accountability Plan.</p> <p>The school that meets this benchmark has leaders who spend extended time in classrooms. Teachers receive relevant and helpful written and verbal feedback, counsel, support, and opportunities to increase the instructional skills and content knowledge required for the school to meet its academic goals.</p>

Throughout the life of the school's charter, Institute reports provided evidence that most of Merrick Academy's teachers created classrooms that reflected high expectations for learning and achievement. Based on a review of school documents during the renewal visit, Merrick Academy teachers are certified in accordance with the Charter Schools Act of 1998. While Institute visitors observed quality teaching in some classrooms during the renewal visit, the pervasiveness of substantive instruction had diminished from that in evidence during the earlier years of the school's charter.

The evidence generated over the life of the school's charter suggests this is attributable to three factors. First, the Merrick Academy teaching staff increased in size as the school's enrollment grew from 169 students to 400 students. This growth occurred between the second and fourth year of Merrick Academy's charter. At the same time Merrick grew from serving students in Kindergarten through second grades to students in Kindergarten through fifth grades. As the school's enrollment increased, so did the requirement to provide instruction to meet the increasing demands of state standards. Second, the school's new curriculum requires stronger teaching skills in order to design and deliver quality instruction. Third, the implementation of the new curriculum was not accompanied by the instructional leadership necessary for a staff with disparate sets of teaching skills and varying levels of experience.

The school's management company, Victory Schools provides the Merrick Academy Principal with teacher professional development protocol. This protocol includes a Professional Development Needs Assessment that teachers complete and return to the Principal, a lesson observation and discussion protocol, as well as an Action Plan and Monthly Calendar Dates for professional development activities. Victory also provides the school with an analysis of student test scores and documents that describe using test score analysis to inform and augment instruction. The goal of the professional development protocol is to "foster self-learning among all members of the staff....and a framework for supporting a community of learners within the school."¹⁸

Teachers receive professional development and coaching from curriculum personnel from the school's management company. This occurs during the weeks before students begin school in the fall and continues throughout the school year on a weekly or monthly basis depending on the curriculum area and needs of the teachers. While these are strong elements of any professional development protocol, they have yet to provide Merrick Academy teachers with the support, skills, and instructional prowess necessary for students to consistently achieve at high levels as measured by state standards. Merrick Academy teachers do not benefit from strong instructional leadership at the building level. The Principal visits classrooms informally two and three times a week and performs annual observations to review instruction. Frequent, consistent and meaningful opportunities for teachers to plan, execute, analyze and improve lessons, thereby increasing student achievement, rarely occur at the school. This pattern continues in the school's fifth year, at least in the fifth and sixth grades.

While the alignment of a written curriculum to state standards is essential in ensuring students have the opportunity to learn and succeed, it is the delivery of the instruction that enables students to learn, practice, and develop the knowledge and skills required for academic success. Merrick Academy has yet to implement the kind of instructional leadership at the building level that provides teachers with frequent opportunities to plan focused lessons, practice and acquire strong and consistent instructional expertise, review the strength of student work as measured by the requirements of state standards, and learn to assess student performance in a way that will sustain continued academic success for children.

¹⁸ Victory School's Operational Memo #42

Renewal Question 2

Is the School an Effective, Viable Organization?

Benchmark 2A School Specific Non-Academic Goals	2A The school meets or has made meaningful and consistent progress towards meeting the Unique Measures of non-academic student outcomes that are contained in its Accountability Plan over the life of the charter.
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Merrick Academy - Queens Public Charter School included two non-academic goals and measures in its Accountability Plan. They are as follows:

Goal 1: Students at Merrick Academy - Queens Public Charter School will develop knowledge and appreciation of art and music.

Measure: In a yearly survey distributed to all parents, 70 percent of parents responding will report that the Academy has done a “good” or “excellent” job in improving their child’s knowledge and appreciation of art and music on a scale of “excellent,” “good,” “satisfactory,” and “poor.”

Goal 2: Students at the Merrick Academy - Queens Public Charter School will demonstrate strength of character and concern for others by participation in class-wide and community based civics projects and by demonstrating appropriate classroom and school-wide behavior.

Measure 1: Ninety percent of students in the Academy will participate in civics projects that improve their knowledge of their community as measured by their writing and demonstration activities reflection in student journals and class-wide portfolios developed for all major project activities. A portfolio of exemplary activities and projects suitable to demonstrate school-wide excellence in this area will be presented in the accountability progress report.

Measure 2: Seventy percent of parents who respond each year will report that their child’s growth in responsibility, self control and concern for others has been “good” or “excellent” on a scale of “excellent,” “good,” “satisfactory,” and “poor.”

Measure 3: Seventy percent of regular classroom teachers will rate classroom and school-wide behavior as “excellent” or “good” on a scale of “excellent,” “good,” “satisfactory,” and “poor.”

Measure 4: Seventy percent of participants in a Parent Task Force will evaluate overall student behavior at the Academy as “excellent” or “good” on a scale of “excellent,” “good,” “satisfactory,” and “poor.” Parents on the Task Force will receive training on an evaluation rubric, and will observe classroom and school-wide activities during one full day each fall and spring.

Parent survey data gathered over the last three school years (2000-01, 2001-02, and 2002-03) was used to provide evidence that the school attained its goal for students to develop knowledge and appreciation of art and music. Parent responses agreed with the statement that their “child has demonstrated knowledge and appreciation of art and music” all three

years. The school changed its rating scale from the four category “excellent,” “good,” “satisfactory,” and “poor” described in their approved Accountability Plan to a four category scale that has the following labels: “very satisfied,” “satisfied,” “somewhat dissatisfied,” and “very dissatisfied.”

The school received a 2002-03 survey response rate of 61 percent (214 parent surveys returned out of 348 distributed). Sixty-one percent of the responding parents in the 2002-03 survey are either satisfied or very satisfied that their child “demonstrates knowledge of art and music.”

As to the second unique program area goal, measure one gauging participation in class-wide and school-wide community based civics projects, the school provided information that out of nine projects over the course of the school’s charter, seven of them enjoyed 100 percent participation. Institute visitors found that a majority of these projects, while possibly informative for students, did not consistently require students to create student journals or projects that produce student work products that moved students closer to the attainment of knowledge and skills required by state standards.

On measure two of the school’s second unique program area goal, an average of 96 percent of parents responding rated themselves as “satisfied” or “very satisfied” (on the aforementioned new four category scale) that their children “demonstrate self control, responsibility and concern for others.” Similarly on measure four of the school’s second unique program goal, in 2002-03 – the first year of the Parent Task Force – 94 percent of the parents evaluated overall student behavior at the academy as “excellent” or “good” (as per the original scale).

The school did not present evidence that it met measure three of its second unique program area goal; that 70 percent of classroom teachers would rate classroom and school-wide behavior as “excellent” or “good” on a four category scale. The school did not distribute the teacher survey to gather this evidence until the 2003-04 school year. The four category scale changed to “very satisfied,” “satisfied,” “somewhat dissatisfied,” and “very dissatisfied.” Out of 28 teachers, 22 teachers responded (a 79 percent survey return rate). Of the teachers responding, 50 percent stated they were “somewhat dissatisfied” and 32 percent were “very dissatisfied” with student behavior.

The school’s renewal application explains this by stating, “We believe that in responding to this survey, the Merrick faculty judged student behavior using very high expectations and against an absolute standard of behavior, rather than against a relative standard of the local public schools.” Institute visitors agree with the Merrick faculty, there is an absolute standard for the kind of student behavior required to create an academically focused atmosphere. Relative acceptability does not meet the Institute’s benchmark for student behavior. As noted in Benchmark 1D.3 of this document, the school’s written code of conduct is sufficient and, overall, guided the school satisfactorily in earlier years of the school’s charter. Evidence gathered during the renewal visit suggests that the school’s environment has lost the focus and behavioral hallmarks that are reflective of a high performing school.

Benchmark 2B Mission & Design Elements	2B <p>The school is faithful to its mission and has implemented the key design elements included in its charter.</p> <p>The school that meets this benchmark has school Board members, parents, teachers, school leader(s) and community partners that consistently present evidence of the school's success with reference to the school's mission and the key design elements included in its charter application. Key elements of the school's design are well implemented and the school's academic results, governance, and instructional practices reflect the mission of the school.</p>
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Over the life of its charter, Merrick Academy - Queens Public Charter School has implemented the key design elements in its charter. Specifically, the school implemented Direct Instruction as outlined in its original charter as well as the arts program and parent involvement program envisioned by the school's founders. While the arts program has remained constant since the school's opening, the school changed its mathematics instruction and augmented its reading instruction through the adoption of curriculum materials not anticipated at the time the school was founded. Nevertheless, the changes in curriculum clearly reflect the mission of the school in that curricular materials are linked to state performance standards.

The school's Board, teachers, parents and community supporters articulately expressed the school's mission as evidenced by reports generated over the term of the charter and in observations and interviews at the renewal visit.

Benchmark 2C Governance (Board of Trustees & School Leadership)	2C.1 <p>The Board has implemented and maintained appropriate policies, systems and processes and has abided by them.</p> <p>A school that meets this benchmark has implemented a comprehensive and strict conflict of interest policy (and a code of ethics) and has consistently abided by them through the term of the school's charter. Where possible, the Board has avoided creating conflicts-of-interest. The school Board has also maintained and abided by the corporation's by-laws. In addition, a Board meeting this benchmark will have actively sought information from the staff, parents, community, and student populations. The system for hearing such views and concerns will have been consistently implemented so that all views and concerns were appropriately heard and acted upon. The Board will have published, reviewed and communicated policies annually and currently maintains an up-to-date policy manual.</p>
	2C.2 <p>The Board and school leadership clearly articulate the school's mission and design and work to implement it effectively.</p> <p>To fully meet this benchmark, school leaders and Board members should be able to evidence a strong understanding of the school design and demonstrate that they have referred to it regularly in managing and governing the school. Moreover, the Board and the school's administration should have deployed resources effectively to further the academic and organizational success of the school. At the Board level, the Board should have a process for selecting both Board members and the school leader or school leadership team that is timely and effective and such process should result in a stable and effective Board and leadership team. The Board should also have evaluated school leadership on an annual basis. Such evaluation should be based on clearly defined goals and measurements. The school Board and school leadership should be able to demonstrate that they are facile with the process.</p>

Members of the Merrick Academy's Board of Trustees are articulate in describing the mission of the school. The Board has provided strong and consistent leadership over the life of its charter and functions as a strong external advocate for the school across the Queens Village community and on the state level. The Board conducts an annual review of school performance, reviewing and commenting on the school's annual reports. While the Principal's evaluation is performed by Victory Schools, the Board provides fervent support for the Principal and has done so since the school's founding.

The Board receives monthly reports from Victory Schools on the financial and overall progress of the school. Recently the Board implemented a committee structure that includes both a finance and an academic committee, and has just begun to examine the links between the financial operations of the school and their impact on the school's academic progress. Committee members are working with the school's Principal and management company to augment financial practices and to plan for curricular, staff, and assessment needs for middle school students should the school's new charter include the opportunity to educate middle school students. The Board rightly determined that more focused oversight of both financial and academic accomplishments at Merrick Academy would provide greater potential for academic growth school-wide. This analytical focus

will assist the Board as it continues to promote increasing academic success at the school while determining if the deployment of financial resources fully targets the instructional program.

Benchmark 2D	2D	<p>Parents/guardians and students are satisfied with the school as evidenced by survey results as well as the volume of parents who choose the school to provide education for their children and the degree to which parents persist with that choice over the child's academic career.</p> <p>The school that satisfies this benchmark will be able to show through generally accepted surveying standards and practices that a large majority of all parents with students enrolled at the school are satisfied with the school. As only a well-informed parent can be meaningfully satisfied, the school must be able to show that it has provided to parents detailed and accurate information about their child's performance as well as the performance of the school as a whole. The school should also be able to provide data on application lottery, enrollment and persistence rates to demonstrate that large numbers of parents seek entrance to the school, and far more importantly, keep their children enrolled year-to-year. Ideal survey data will also provide an explanation for the persistence rate experienced by the school.</p>
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Merrick Academy parents interviewed during the renewal visit clearly articulated the school's mission to become one of the finest public schools in America. Parents cited frequent communication from teachers, academic opportunities, greater use of technology¹⁹ than in other public schools, and the quarterly parent-teacher conferences that are scheduled at times that maximize parent participation. The Parent Teacher Association is active in assisting the school with its arts program. Recently, the Parent Teacher Association has created a "Benchmark Committee" with the goal of studying the best practices of successful schools, performing a comparative analysis between what is learned and the program at Merrick, and to assist the school in growth and improvement in the future. During the interview the parents expressed enthusiasm for the school's requested growth to serve students in the Kindergarten through eighth grades and hoped the school would consider growing to serve high school students in the term of a future charter.

The school has distributed parent satisfaction surveys over the term of this charter. Each year parents report high levels of satisfaction with regard to the achievement and academic progress of their children. The most recent survey data available from the school shows 61 percent of parents returned the survey and 97 percent of those responding were "very satisfied" with the school's program.

Merrick Academy regularly communicates with parents. Classroom and school-wide newsletters are distributed on a frequent basis. In addition, weekly or monthly reports on student behavior and academic progress are sent home according to the schedules set by classroom teachers. Formal report cards and parent conferences occur on a quarterly basis.

The school has been fully enrolled for most of its charter. Since the opening Merrick has enjoyed a waiting list for available seats at all grade levels and cites this as additional

¹⁹ The Merrick Academy Web Site can be found at: <http://www.merrickacademyqpcs.org>.

evidence of strong parent and community support. At the close of the 2003-04 school year the school boasted a waiting list of 510 students – 110 percent of the school's planned enrollment for the 2004-05 school year.

Benchmark 2E	2E	The school has substantially complied with applicable laws, rules and regulations and the provisions of its charter.
Legal Requirements		A school that meets this benchmark will have compiled a record of substantial compliance with the terms of its charter and applicable laws and regulations. In addition, at the time of renewal, the school will be in substantial compliance with the terms of its charter and applicable laws and regulations. Such school will have maintained and have had in place effective systems and controls for ensuring that legal and charter requirements were and are met. A school should also be able to demonstrate that the school has an active and ongoing relationship with independent legal counsel that reviews relevant policies, documents, and incidents and makes recommendations as needed.

The Board also implemented, and has abided by, a conflict of interest policy and code of ethics during the term of the charter. Trustees avoid creating conflicts of interest, but rely on the corporation's by-laws to provide direction should the need arise. We also note that the State Education Department has indicated that as of January 28, 2005, the school was only in partial compliance with the Safe Schools Against Violence in Education Act (SAVE) in that the school safety plan submitted pursuant to Education Law section 2801-a was not complete.

The school also has processes and procedures in place to ensure it provides services for students with disabilities as required under the law. The school's staff includes a certified special education teacher and a Director of Support Services. At the close of the 2003-04 school year, 26 students identified by the Committees on Special Education from each child's district of residence were enrolled at Merrick Academy. The school works amicably with the Committees on Special Education in the students' home districts as demonstrated by the Committees' willingness to hold regular meetings at Merrick Academy.

The school has an active and ongoing relationship with independent counsel to assist the Board in legal matters.

Renewal Question 3

Is the School Fiscally Sound?

Benchmark 3A	3A	The Board has provided effective financial oversight, including having made financial decisions that furthered the school's mission, program and goals.
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During the renewal visit, the Board was offered the opportunity to discuss a couple of its most important financial decisions. Comments by the Board members were general in nature and primarily concerned the school using sound fiscal practices. One specific item cited was the work of one Board member in analyzing the viability of previous enrollment expansions. Based on the responses and other evidence, it is clear that the Board relies significantly on Victory to do much of the legwork on financial decisions. Clearly one of the most important decisions of the Board relates to its facility. The school is situated in a suitable facility and it has not needed to devote an excessive amount of resources to rent and other facility costs, thereby allowing more resources to be devoted to instruction. The Board's decision to partner with Victory Schools provided access to start-up capital and some overall stability. By partnering with Victory, the school is able to benefit from economies of scale related to some purchases.

Board oversight has been particularly good as it relates to per pupil revenue by ensuring that enrollment remained high. The school has kept actual enrollment between 97- 99 percent of approved enrollment each year. The cooperation of the Principal was cited as being particularly helpful in this area.

The school's by-laws require that the Board meet at least bimonthly during the school year and as appropriate during the summer. Except for the 2002-03 school year, when the Board met only three times, this schedule was generally met. One of the nine voting members of the Board is not active. Although required by its by-laws, the school did not have a budget and finance committee until September 11, 2003. The role of the committee is narrowly defined and it has not formally functioned to date.

Beginning with the 2001-02 school year, the school's Board minute packages routinely included year-to-date financial information including budget to actual comparisons. Victory Schools provides these comprehensive financial reports to the Board, the Principal and onsite business manager. The minutes note the presentation of the information and sporadic instances of discussion and questions. Discussion of certain specific subjects such as facilities issues are noted separately. During the first three years of its charter, the Board did not meet directly with its independent auditor to discuss the annual financial statement audit report. However, in November 2004, the entire Board met with its auditors to discuss the audit report for FY 2004. The school indicated that, going forward, the Board and its budget and finance committee will continue to annually meet with the school's auditors to review the school's audited financial report and statements.

As noted above, Victory's monthly financial reports are comprehensive and provide useful analysis of budget variances. However in the past, the school Board has not typically adjusted its budget during the school year. A new procedure is being developed

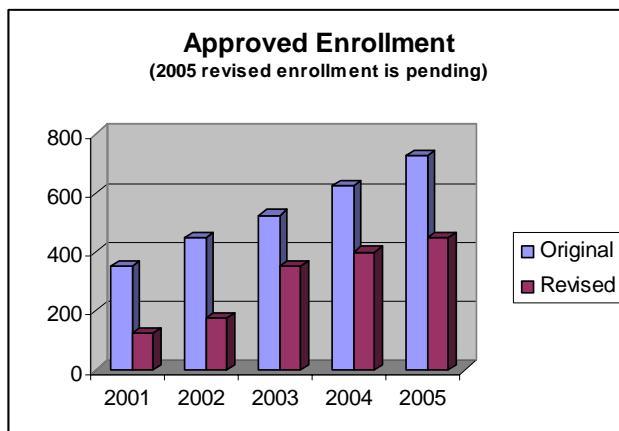
whereby budget transfers among line items may be requested and/or adopted during the year.

At the time of the renewal visit, the school had not yet developed its budget and finance committee. Subsequently, the school has taken steps to develop the committee. The committee presently consists of three Board members and the Board has stated that it plans to aggressively recruit additional professionals with backgrounds in finance and accounting to join the Board and this committee. In addition, the finance committee has also committed to establishing periodic (every 30-45 days) conference calls to discuss the school's financial position and statements; more robust fundraising and grant-seeking efforts; and a strategic planning retreat to focus on the school's medium to long-term goals. The Chair of the committee has a good background in finance and accounting. The Chair identified a host of concerns of the committee including: getting tighter control of procurement, establishing a diversity policy, developing an internal audit committee and achieving fiscal transparency.

Benchmark 3B Budgeting and Long Range Planning	3B The school has operated pursuant to a long-range financial plan. The school has created realistic budgets that are monitored and adjusted when appropriate. Actual expenses have been equal to or less than actual revenue with no material exceptions.
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The school has operated pursuant to long-range plans. Budgets have provided a realistic general framework for the school's spending activities and monitoring procedures were in place. However, expenses exceeded income in three of four years.

Merrick was unable to enroll the number of students initially planned due to facility constraints. Presumably, had the school been able to find sufficient facilities to accommodate the initial planned enrollment, its financial health would have been improved. The chart below shows the original and revised approved enrollment by year.



As such, while the school has not always operated on a balanced budget, it has never experienced an operating cash shortfall. Its ability to do so has been largely dependent upon Victory Schools deferring a portion of management and central service fees.

Budgets and cash flow projections were generally filed timely. Based on the format of the month-by-month cash flow projections for the first four years, it is unlikely that the school is using such projections for internal purposes. As noted above, this has not had a negative impact on the school's cash flow. The school is modifying the way it prepares

the cash flow projections to provide a more accurate depiction of actual cash flows. Ten-year fiscal projections, prepared by the Victory Schools, are evidence that long-range plans have been developed.

Benchmark 3C	3C	The school has maintained appropriate internal controls and procedures. Transactions have been accurately recorded and appropriately documented in accordance with management's direction and laws, regulations, grants and contracts. Assets have been and are safeguarded. Any deficiencies or audit findings have been corrected in a timely manner.
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The school's annual audit reports on internal controls over financial reporting and compliance with laws, regulations and grants did not disclose any reportable conditions, material weaknesses, or instances of non-compliance. The lack of deficiencies in these independent reports provides some, but certainly not absolute, assurance that the school has maintained adequate internal controls and procedures. The purposes of the reports are not to provide assurance on internal control over financial reporting or an opinion on compliance.

A State Education Department fiscal review conducted in February 2003 noted only one area in which the school's policy and procedures were inadequate. The school lacked a finance committee at that time. A committee has since been established (September 2003), although it is not fully functioning.

Victory Schools has developed extensive fiscal policies and procedures and has compiled them into a school-level accounting manual that was adopted by the school. Based on interviews with school and Victory Schools staff and review of documentation, the school has established the processes and controls related to payroll, procurement and safeguarding of assets.

Victory Schools received a management letter in conjunction with the school's audit for the year ended June 30, 2003. The letter included recommendations from the auditors concerning certain matters related to the school's internal controls and certain observations and recommendations on other matters. Recommendations were related to journal entries, invoice processing and cash payment procedures. Management's responses adequately addressed the recommendations.

For the year ended June 30, 2004, the school's auditors issued a management letter that noted certain matters that were described as opportunities for strengthening internal controls and improving operating efficiencies. The matters involved the human resources department, the cash receipt process, and the lack of a system maintenance and disaster recovery plan. In response, management has indicated appropriate actions were taken, or will be taken.

Benchmark 3D Financial Reporting	3D The school has complied with financial reporting requirements. The school has provided the State University Board of Trustees and the State Education Department with required financial reports on time, and such reports have been complete and have followed generally accepted accounting principles.
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The school has generally met financial reporting requirements. The annual financial statements, budget, and quarterly financial reports were generally filed on time with a few exceptions that occurred in the first two years of its charter. The school's annual financial statement audit reports have all had unqualified opinions thus far. An unqualified auditor's opinion on the financial statements indicates that, in the auditor's opinion, the school's financial statements and notes fairly represent, in all material respects, the financial position, changes in net assets and its cash flows in accordance with generally accepted accounting principles.

All statements required by generally accepted accounting principles were included in the school's financial statements. However, for its first three years neither the financial statements nor the notes to the financial statements presented information about expenses by their functional classification, such as major classes of program services and supporting activities. Such presentation is required by Financial Accounting Standards Board (FASB) Statement No. 117 (*Financial Statements for Not-for-Profit Organizations*). Financial statements for the year ended June 30, 2004 did include this required information.

Benchmark 3E Financial Condition	3E The school has maintained adequate financial resources to ensure stable operations and has monitored and successfully managed cash flow. Critical financial needs of the school are not dependent on variable income (grants, donations and fundraising).
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The school completed the 2003-04 school year in weak but stable financial condition. The school had an operating deficit of \$95,782 and finished with a net asset deficiency of \$251,164 (\$628 per enrolled student). The school had negative changes in net assets in three of its first four years. While the school experienced a positive change in net assets for 2001-02 school year (\$268,713), it was significantly aided by the receipt of federal, state, and city grants totaling \$725,000 in that year.

During the renewal visit, Victory Schools made the case that the financial status of the school has and will continue to closely track the capacity utilization of its facility. In years when the school has expanded by more classrooms than they filled with new students, they have a down year. Then, when the school is at full capacity, it has improved financial results.

Except for a contribution of \$192,000 for start-up expenses received from Victory, the school has not reported any other financial contributions indicating that it was not dependent on variable income for its financial needs.

The school has fixed assets (net of accumulated depreciation and amortization) totaling \$1,374,257 that consist of primarily leasehold improvements at its current facility. The school has long-term debt payable to Victory Schools totaling \$560,680 (final payment is due June 1, 2010, interest accrues at 9.75 percent). The school also owes Victory \$989,253 related to deferred management and central services fees. In addition, the

school has commitments under noncancelable leasing arrangements for facilities of \$412,500 for fiscal year 2005.

Victory Schools is paid a fee of 22 percent of the total revenues for management (seven percent) of the school and central services (15 percent). Victory has allowed the school to repay some of its fees on a long-term basis. Victory will accept payment of these deferred management fees when the school is able to pay. If this relationship were to change or cease, such change could have a substantial effect on the school's ability to continue operations.

Renewal Question 4

Should the School's Charter Be Renewed, What Are Its Plans for the Term of a Future Charter?

Benchmark 4A Curricular & Assessment Plans	4A <p>The school's curriculum and assessment plans for the term of a future charter are reasonable, feasible, and achievable and are likely to improve student learning and achievement.</p> <p>Schools that plan to retain or augment curricular and assessment designs presented in the original charter application have provided evidence that the implementation of that design has resulted in academic success during the term of the existing charter.</p> <p>Schools that propose a material redesign to the curriculum and assessment plans for the term of a new charter have clearly articulated the new design, provided research and evidence that the proposed new design will result in the increased academic performance of children, and a plan and timeline outlining the implementation of the new curricular design. These plans are likely to improve student learning and achievement and are reasonable, feasible and achievable.</p> <p>Schools that seek to add grade levels not included in the approval of the original charter have presented an outline of the curriculum and specific assessment plans for the term of a future charter. These plans are likely to improve student learning and achievement and are reasonable, feasible and achievable.</p>
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In its application for charter renewal, Merrick Academy - Queens Public Charter School proposes a school that will grow to serve approximately 570 students in the Kindergarten through eighth grades and presents enrollment and curriculum designs for a new charter term.

For grades Kindergarten through five, the school proposes to continue to utilize the curriculum, assessments and other components of its current educational program (see benchmarks 1B, 1C). The English Language Arts and mathematics curricula for those grades are a continuation of the curriculum piloted during the 2003-04 school year (fourth year of the charter). For grades six through eight, the school's proposed educational program contains the following elements:

- English Language Arts that includes balanced literacy through the use of the Junior Great Books Program,²⁰ readers and writers workshop as designed by the National Writing Project and the Great Source Writing Program, new student assessments using the ITBS and/or other screening program, unit and end of year tests, a phonics component.
- Impact Mathematics: Algebra and More Program which is consistent with the goals of the federal No Child Left Behind program, aligns with New York State performance standards and completes a full year of algebra by the end of eighth grade.

²⁰ Information on Junior Great Books is available at <http://www.greatbooks.org/>.

- Life Science, Earth Science and Physical Science aligned to New York State performance standards using as a major text the Glencoe/McGraw Hill science textbook series.
- The school plans to extend the use of the Core Knowledge Scope and Sequence used in Kindergarten through fifth grades.

As presented in the renewal application, the curriculum for the upper and lower grades proposed for the term of a future charter contains an appropriate level of rigor and depth to enable students to succeed in meeting the New York State performance standards for grades Kindergarten through five. More generally, research on the effectiveness of the school's Kindergarten through fifth grade mathematics curriculum (*Everyday Mathematics*) shows some evidence of its ability to increase student achievement on state tests in Massachusetts, Pennsylvania, Illinois and Florida.²¹ This research is tempered, however by the findings in studies reported by New York University that students experiencing mathematics instruction using the *Everyday Mathematics* curriculum should receive supplemental instruction in learning and memorizing the algorithms (basic mathematical operations and facts) critical to computational and problem solving success.²²

While the curriculum as written is sufficient, the ability of the school to implement the curriculum design effectively, especially in the upper grades, is called into question by the quantitative and qualitative evidence the Institute has gathered. In regards to the outcome data, ITBS outcomes indicate a decline in student performance year-to-year, a trend echoed across cohorts when comparing performance in 2002-03 and 2003-04 on the fourth grade exams. Finally, the performance of the fifth graders in 2003-04 on the New York City math exam was very low (10 percent), though it was on par with the district on the ELA test. Given the small number of students, the difficulties in making cross-cohort comparisons and the limited data generally, caution should be exercised in drawing conclusions. Nonetheless the data are not positive.

In addition to the outcome data (and consistent with it), the Institute has amassed qualitative evidence that the school's program in the lower grades is generally sound, though still facing significant challenges if academic achievement is to continue to improve. In the upper grades, the problems regarding the instructional effectiveness, professional development, and the curriculum as it is implemented are more systemic and profound (see Benchmarks 1B, 1C, 1D.1-3, 1E, 1G.1-3).

To some degree, the application, which was filed with the Institute during the School's fourth year, recognizes the challenges that Merrick is facing. So, too, the Board provided plans to create new supports, especially in the upper grades, beginning in the fall of 2004. These included a full-time staff developer/instructional leader for the upper grades and a new staffing structure that includes the designation of one "lead teacher." The lead teacher will work with the grade-level team in the areas of professional development, instructional delivery strategies and classroom management techniques. The lead teacher will model and coach other teachers, ensure that grade-level meetings occur and that information is shared through notes and/or other methods. It is the intent of the school to use this structure to assist in raising the instructional capacity of the school's teaching staff. At the time of the renewal visit, grade-level teachers informally met during their common lunch times or during prep periods to discuss pedagogical and curricular issues and to provide support for each other. The lead teacher would be certified and possess special instructional skills and abilities.

²¹ This research was conducted and reported by S.R.A. International, the publisher of *Everyday Mathematics*, and was downloaded on December 5, 2003 at:

<http://www.sraonline.com/index.php/home/curriculumsolutions/mathematics/emfirstedition/studentachievement/729>

²² See www.math.nyu.edu

However, as noted elsewhere as well, during the follow-up renewal visit of December 2004, it was clear that the school had yet to find an instructional leader in the upper grades, a position especially in need in light of the inexperience of the fifth and sixth grade staff. At present the school's Principal is the designated instructional leader. While she is an excellent administrator and building leader, she has little experience or record of success in the grades she is directly overseeing; moreover, her present building-wide administrative duties leave her far too busy to concentrate the needed resources and attention on the struggling upper grades. Moreover, the school has made its plans for effective implementation far more difficult than they need to have been given the inexperience of the staff, for example:

- One teacher with two years previous *elementary* school experience,
- One teacher with two and a half years experience, with only one year of fifth grade experience,
- One first year teacher,
- One teacher with one year experience, and
- One teacher with two and half years experience.

All of these fifth and sixth grade teachers, as set forth in detail, *supra*, require significant professional development and mentoring that the school does not have in place.

Given the teacher inexperience, it is far from clear that the school can implement the lead teacher structure that the application envisions. Equally important, the evidence gathered during both visits indicated that the school had yet to institute a consistent culture of rigorous instruction – particularly in the upper grade levels, that would provide a basis to find that the plans that are presented will be implemented effectively.

Benchmark 4B Accountability Plan	4B The school has provided a draft Accountability Plan that defines the school's measurable goals for the term of a future charter. The school's proposed Accountability Plan follows the guidelines set forth by the Institute and presents an accountability system that is reasonable, feasible, and achievable.
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The school has submitted a draft Accountability Plan that is largely in line with the demands of the Institute's Accountability Plan guidelines. The Institute will, based upon the final renewal recommendation and vote of the State University Trustees, work with Merrick Academy - Queens Public Charter School to finalize the school's Accountability Plan goals and measures and will codify it in any final renewal charter document.

The Accountability Plan as submitted in the renewal application is generally reasonable and feasible; however certain additional measures may be required in order to take account of changes in the New York State's testing regimen or revisions to the Institute's Accountability Plan Guidelines. In such cases, these additional measures will be added either prior to the execution of a new proposed renewal charter or thereafter.

Benchmark 4C School Calendar & Enrollment	4C <p>The school has provided a sample school calendar that includes the number of days and proposed daily hours of instruction. Additionally, the school has provided an enrollment plan outlining the grades and growth patterns it anticipates during the term of a future charter.</p> <p>The plans are reasonable, feasible and achievable.</p>
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The school has submitted future enrollment plans for the term of a future five-year charter. The school plans to grow to a maximum enrollment of 567 students in grades Kindergarten through eight in the 2006-07 school year and to maintain that grade structure and enrollment levels through the remaining years of a five-year charter (2009-10).

Subject to the Institute's final recommendation and the State University of Trustee's vote as to grade levels to be served and length of the renewal charter, the school's plans are reasonable, feasible, and achievable.

Benchmark 4D Fiscal & Facility Plans	4D <p>The school has provided a reasonable and appropriate five-year fiscal plan for the term of a future charter.</p> <p>The school has provided a fiscal plan that includes a discussion of how future enrollment and facility plans are supported and/or impacted by the school's fiscal plan for the term of its next charter. In addition, fiscal plans provided for a future charter term reflect sound use of financial resources that support academic program needs.</p>
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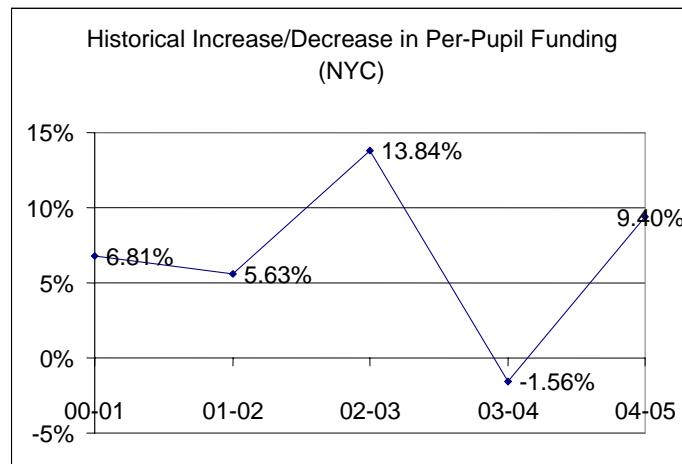
Long-range fiscal projections are more susceptible to error than those for a single year. These projections are subject to revision due to changes in local conditions, objectives, and laws. Regardless of the assumptions embedded in the fiscal projections, the school will be required to develop and adopt annual budgets based on known per pupil amounts. The actual financial results for the 2003-04 school year indicate that while the school's net asset deficiency increased, it remained manageable at seven percent of expenses. The school remained stable with a small decrease in cash (\$4,934) during the year. The school was able to decrease the amount it owes to its management company by \$169,724 and invest in the purchase of property plant and equipment totaling \$125,332.

The school's financial plan projects an increasingly strong financial position over the proposed renewal charter period. Major assumptions include enrollment growth to 525 students, enrollment at 97 percent of capacity, a contingency (reduction of planned amounts) related to revenue each year beginning at \$28,611 and increasing to \$33,812 (similarly there is an expense contingency in equal amounts), growth for each revenue category of three percent per year, expenses increasing proportional to student growth with three percent annual inflation. The application narrative also states that benefit and insurance costs are projected to increase by 10 percent per annum, however the financial plan does not reflect this increase in benefit costs. This variance does not have a material impact on the school's overall fiscal plan.

The revenue assumptions in the school's financial plan are conservative. Just prior to the submission of the school's application, the per pupil aid amount was increased by 11 percent versus the three percent projected by the school. This strengthens the overall

reasonableness of the plan. On the expense side, the assumptions made in the school's application are a bit simplistic but are not considered unreasonable. One exception, as noted above, is the failure of the plan to incorporate one of the stated narrative assumptions (related to employee benefits) into the actual financial plan. Also, the application provides no discussion of assumptions or plans related to the projected capital outlays for furniture and fixtures, computers and leasehold improvements. Assuming the school remains at its current facility, the amounts budgeted for these items do appear reasonable.

The school's projected three percent annual increase in per pupil revenue is considered reasonable given its low starting assumption base. While there is degree of uncertainty related to these projected increases, they are less than the historical average increase over the life of the school's charter (6.9 percent). The chart below shows the historical per-pupil increases over the life of the school's charter.



Source: State Education Department

CSI chartered schools that have partnered with Victory Schools, including Merrick, have not yet established a consistent record of obtaining positive changes in net assets from year to year. This remains a challenge that the Merrick Board needs to focus on going forward. The fiscal plan provided projects that the school will eliminate its net asset deficiency by the third year of the proposed new charter. The plan is likely achievable assuming the continued demand for enrollment in the school.