



Staff Analysis and Report to the Board

Board Meeting/Work Session Date: February 26, 2019

Senior Lead: Kregg Cuellar, Chief of Schools

Department Lead: Korinna Wolfe, Area Senior Director, Multiple Pathways to Graduation

Staff Lead: Tara O'Neil, Program Director, Charter Schools

SUBJECT: Termination of charter with Trillium Charter School, effective June 30, 2019

I. BACKGROUND

Trillium Charter School opened in school year 2002-03 as a k-12 public charter school sponsored by PPS. Trillium's charter with PPS has been renewed three times, in 2007, 2012, and 2017, in accordance with the criteria and process established in ORS 338.065.

At its last renewal, Trillium was instructed by the PPS Board of Education to provide a written plan to improve the performance of its students in math at all grade bands, and that agreement was formalized in the renewal contract. Such a plan was in place in years 2015-16 and 2016-17, and due to two consecutive years of failure to meet academic expectations in math in grades 3-8, by contract Trillium was required to submit an Action Plan of Improvement in the 2017-18 school year. Per contract, failure to make progress toward improvement within one year of implementing the Plan of Improvement may result in termination. The SBAC results and Oregon Report Card assessment of Trillium's performance in 2017-18 reflect a third consecutive year of poor performance in grades 3-8 math. In addition, the 2017-18 SBAC results indicate an additional consecutive year of poor performance in English Language Arts for grades 3-8, necessitating the addition of grades 3-8 ELA to the Action Plan of Improvement for 2018-19.

With an enrollment capacity of 365, Trillium historically enrolls between 340-350 students per year. Trillium currently has 201 students, of which 46% are Economically Disadvantaged and 24% are Students with Disabilities. Trillium's current enrollment reflects a decline of over 40% since school year 2016-17, with an associated decline in revenue which was not adequately accounted for in Trillium's 2018-19 Budget. Trillium has experienced staffing changes in its Finance Office, and at this time the District does not have accurate financial reports to assess cash balance or monthly cash flow through the end of the fiscal year.

Because of concerns regarding student academic achievement and the organization's financial stability, staff made a recommendation to the PPS Board Charter Committee that the charter with Trillium be terminated effective June 30, 2019.

II. RELATED POLICIES/BEST PRACTICES

While charter schools must follow federal law and those state laws listed in ORS 338.115, many statutes and rules that apply to other public schools and districts do not apply to charter schools. While charter schools have significant autonomy from district policies, this autonomy comes with greater accountability for meeting the standards and outcomes set in law and by contract. If a charter school fails to meet stated standards and outcomes, it can ultimately lose its charter with the sponsor through the termination process described in ORS 338.105 and OAR 581-026-0500.

Per the PPS contract with Trillium Charter School (CHTR 65665), section E.1.e.,

“...If the charter school fails to meet any performance benchmark set forth in its Annual Performance Framework and Report or its Accountability Plan, for two consecutive school years, a plan of action will be initiated...If after these steps are completed and reasonable goals are not met within an additional calendar year from when the steps are developed, this may be grounds for termination.”

Additionally, Oregon's Charter School Law, ORS 338.105(1), states, *“During the term of a charter, the sponsor may terminate the charter on any of the following grounds:*

- (a) Failure to meet the terms of an approved charter or this chapter.*
- (b) Failure to meet the requirements for student performance stated in the charter.*
- (c) Failure to correct a violation of a federal or state law that is described in ORS 338.115.*
- (d) Failure to maintain insurance as described in the charter.*
- (e) Failure to maintain financial stability.*
- (f) Failure to maintain, for one or more consecutive years, a sound financial management system described in the proposal submitted under ORS 338.045 and incorporated into the written charter under ORS 338.065.”*

Per ORS 338.105(2)(a), a Notice of Intent to Terminate Charter was delivered to Trillium Charter School on February 13, 2019, stating the grounds for termination as ORS 338.105(1)(b), failure to meet student performance requirements, and (e), failure to maintain financial stability. The effective date of termination is June 30, 2019, meeting statutory requirement that notice be given at least 60 days prior to the proposed effective date of the termination.

III. ANALYSIS OF SITUATION

Implications of terminating charter: Trillium would not be available to the approximately 170 PPS district students who would otherwise be returning in Fall of 2019 (current enrollment minus grads and out of district students). Those students would need to move to other schools, either within the PPS system, including PPS charter schools and PPS contracted alternative schools, or in the private, or homeschool sectors. PPS stands ready to assist with this process. In addition, approximately 20 Trillium staff, including teachers and administrators, will no longer have employment at the school after the termination date. In the general public school community, the students and families of PPS will lose the option of attending a k-12 charter school with the specific model of Democratic, Constructivist Education, using Restorative Practice. Trillium is the only charter school that serves high school grades. Trillium Charter School has a 17-year history in the community, and its loss would have an impact on its local community, alumni, and partners.

Implications of not terminating charter: Trillium would remain open to serve students after three-years of failing academic achievement data in grades 3-8. It is the duty of charter school authorizers to hold charter schools accountable to standards and outcomes defined in law and contract, and a decision not to terminate the charter for failing academic achievement standards would imply that Trillium is not being held accountable to those standards, or that the standards should be different for one school. Additionally, if Trillium remains open, there is concern that continued declining enrollment will lead to financial collapse, which may require mid-year intervention or closure in the coming school year. Trillium's students, and other PPS families, would continue to have Trillium as a choice for their public education, however the school may not be financially viable to make it through a school year.

IV. FISCAL IMPACT

If the Board votes in favor of terminating the charter with Trillium Charter School, the fiscal impact for the remainder of 2018-19 is largely unchanged as payments of State School Funds would continue based on enrollment until school closure in June. Current estimate to be passed

through to Trillium for the full fiscal year is \$1,362,756 (assumed 201 students), paid monthly based on previous month's weighted average daily membership.

Fiscal impact for 2019-20 would be an estimated \$1,530,360 less funds being passed through to charter schools. PPS would receive full funding for any Trillium students who enroll in a PPS school for the 2019-20 year.

If the Board votes in opposition to terminating the charter with Trillium Charter School, the fiscal impact for 2019-20 would be an estimated \$1,530,360 in funds to be passed through to Trillium per the current charter schools funding formula, assuming the school remains financially viable through the full 2019-20 school year at the estimated current enrollment. Financial stability is one of the grounds for the recommendation to terminate the charter with Trillium, and there is concern that the school will not be sustainable at current enrollment levels.

V. COMMUNITY ENGAGEMENT (IF APPLICABLE)

A public hearing was held before the PPS Board Charter Committee on February 20, 2019, in accordance with ORS 338.105(2)(d), to hear from Trillium Charter School leaders as well as public testimony from all stakeholders, both in favor and in opposition to the school remaining open.

Members of the Board Charter Committee visited Trillium Charter School prior to the public hearing.

VI. TIMELINE FOR IMPLEMENTATION/EVALUATION

If the recommendation to terminate the charter with Trillium Charter School is approved, the process of ensuring that all students currently enrolled at Trillium have a public school to attend in the next school year will begin immediately, with the assistance of PPS Enrollment and Transfer Office and Multiple Pathways Reconnection Services and the Charter Schools Office. Timelines will assume school closure effective date of June 30, 2019.

Further action items related to school closure will be managed by the PPS Charter Schools Office using school closure rubrics developed by this office in conjunction with the National Association of Charter School Authorizers (NACSA) recommendations and the Oregon Department of Education.

VII. BOARD OPTIONS WITH ANALYSIS

Results of Board vote approving terminating the charter with Trillium Charter School: The District's charter with Trillium Charter School will be terminated effective June 30, 2019. Notification to Trillium Charter School staff and families will begin immediately along with process for ensuring students who currently attend Trillium will have access to enrollment and transfer information for PPS schools for the 2019-20 school year.

The school may appeal the decision to the State Board of Education, which shall review only the grounds for termination under ORS 338 as stated by the school district board.

Results of Board vote opposing terminating the charter with Trillium Charter School: Trillium Charter School will remain open, and will have a review of the current 2018-19 Action Plan of Improvement for Grades 3-8 Math (all students) and Grades 3-8 English Language Arts (all students) in November 2019, at which time a decision will need to be made regarding progress toward improvement. If there is not satisfactory progress toward improvement, there may be another recommendation to terminate the charter. Additionally, as failure to maintain financial stability is listed among the grounds for termination, if the charter is not terminated, Trillium Charter School will need to show its plan for financial stability at current and declining levels of enrollment for the 2019-20 school year.

VIII. STAFF RECOMMENDATION

Due to Trillium's failure to meet requirements for student performance stated in the charter, and failure to maintain financial stability, staff recommends that the charter with Trillium Charter School be terminated, effective June 30, 2019.

IX. I have reviewed this staff report and concur with the recommendation to the Board.

Guadalupe Guerrero
Superintendent
Portland Public Schools

Date

ATTACHMENTS

(List all supporting documentation, including resolution, etc.)

A. Draft Resolution

B. PPS Board Charter Committee Meeting Trillium Packet, February 8, 2019

PPS District Priorities FY 2018-19

1. *Set a clear Vision and Strategic Plan*
 2. *Create equitable opportunities and outcomes for all students*
 3. *Build management and accountability systems and structures*
 4. *Allocate budget, funding and resources focused on improving outcomes for students*
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