Office of Superintendent of Schools Board Meeting of July 15, 2020

Valtena G. Brown, Deputy Superintendent/Chief Operating Officer School Operations

## SUBJECT: REQUEST SCHOOL BOARD APPROVAL OF A SCHOOL OF HOPE PERFORMANCE BASED AGREEMENT WITH KIPP MIAMI, INC.

COMMITTEE: PERSONNEL, STUDENT, SCHOOL AND COMMUNITY SUPPORT

## LINK TO STRATEGIC BLUEPRINT: RELEVANT, RIGOROUS AND INNOVATIVE ACADEMICS

#### AUTHORITY AND SCOPE

Schools of Hope and the Schools of Hope Program are authorized by Section 1002.333, F.S. This law was first enacted in 2017, and it provides the authority for the State Board of Education to designate a non-profit organization with tax exempt status under s. 501(C)(3) of the Internal Revenue Code that operates three (3) or more public charter schools serving students in grades K-12 in Florida or other states with a proven record of serving students from low-income families as a *Hope Operator*. Currently, there are four Florida designated hope operators: *Democracy Prep Public Schools, Inc., IDEA Public Schools, KIPP New Jersey, and Somerset Academy, Inc.* 

A Hope Operator may establish a School of Hope (with multiple campuses) and serve students from one or more persistently low-performing schools and students who reside in a Florida Opportunity Zone, pursuant to Section 1002.333, F.S., or in the attendance zone of a persistently low-performing school, or within a 5-mile radius of such school, whichever is greater; and is a Title I eligible school.

A *persistently low-performing* school is defined as a school that has earned three grades lower than a "C," pursuant to Section 1008.34, F.S., in at least 3 of the previous 5 years and has not earned a grade of "B" or higher in the most recent 2 school years, and/or a school that was closed pursuant to Section 1008.33(4), F.S., within 2 years after the submission of a NOI.

A *Florida Opportunity Zone* means a population census tract that has been designated by the United States Department of the Treasury as a Qualified Opportunity Zone pursuant to s. 1400Z-1(b)(1)(B) of the Internal Revenue Code. These Zones are economically-distressed communities where new investments, under certain conditions, may be eligible for preferential tax treatment. These zones are designed to spur economic development and job creation in low-income communities. Currently, there are 67 opportunity zones spanning across Miami-Dade County.



# PROCESS

Pursuant to State Board of Education Rule 6A-1.0998271, F.A.C., the FDOE has developed a standard School of Hope Notice of Intent (NOI) form and School of Hope Performance-based Agreement (PBA) for Schools of Hope. A Hope Operator seeking to open a School of Hope must submit the completed NOI and PBA forms to the Superintendent of the school district in which the persistently low-performing school has been identified by the Florida Department of Education (FDOE). Upon receipt of a complete Notice and draft standard form PBA from the Hope Operator, the District must enter into a PBA with the entity within sixty (60) days to open one or more public Schools of Hope to serve students from persistently low-performing schools.

While the School Board and Hope Operator may negotiate the terms of the standard form PBA adopted by the State Board of Education, the Hope Operator or School Board may petition the State Board of Education to appoint a General Magistrate for dispute resolution if the parties fail to enter into a PBA at least sixty (60) days after submission of the NOI. However, Section 1002.333(11)(c), F.S., mandates that the General Magistrate cannot make any recommendations that alter in any way the provisions of the standard PBA. Additionally, a school district that does not enter into a PBA within the 60-day timeframe, shall reduce the administrative fees withheld for charter school oversight and compliance pursuant to Section 1002.33(20), F.S., to one (1) percent for all charter schools currently in operation in the District. Upon execution of the PBA, the District may resume withholding the full amount of administrative fees; but may not recover any fees that would have otherwise accrued during the period of noncompliance.

#### SUMMARY OF SCHOOL OF HOPE NOI AND PBA

**Historical Overview:** KIPP New Jersey, Inc., was approved by the State Board of Education as a Hope Operator on May 16, 2018 (Attachment A). KIPP New Jersey, Inc., currently holds a PBA with the School Board for KIPP Miami-Liberty City, a School of Hope, that was approved to serve Kindergarten to 10th grade. For the 2019-2020 school year, its inaugural year, KIPP Miami-Liberty City served 143 students in grades 5-6. Due to the concessions provided through the Governor's Executive Order, no accountability grades will be assigned to any schools for last school year.

**NOI and PBA:** The District received a NOI (Attachment B) and draft PBA on May 29, 2020, from KIPP New Jersey, Inc., to establish a second School of Hope under KIPP Miami, Inc., for multiple campuses in the attendance zone or within a five (5) mile radius (whichever is greater) of Madison Middle School, which was identified in 2019 by the FDOE as a persistently low-performing public school or within a Dade County Economic Opportunity Zone. The negotiated PBA (Attachment C) is proposed to be between the School Board and KIPP Miami, Inc. Highlighted below are the significant terms in the Notice and PBA:

PBA Provisions								
Approved Hope Operator:	KIPP New Jersey, Inc.							
Contracted Hope Operator:	KIPP Miami, Inc.							
School of Hope	KIPP Miami – North Miami							
Governing Board Members:	Dan Adan Holly Briedis Deborah Dauman Billy Kr Jeb Bush Jr. Bill Diggs (Chair) Larry C							
Targeted Persistently Low Performing School:	Madison Middle School (MSID 6391) 3400 NW 87 <sup>th</sup> Street, Miami, FL 33147							
(as of 2018-2019 SY)	, ,							
Targeted Opportunity Zone:	Northern Miami-Dade County							
Term:		Years Five (5)						
	Begin End							
Address/Geographic Location:	A site has not yet been determined. However, it is anticipated the schools will be located in privately owned facilities in multiple campuses/locations identified within a 5-mile radius of the persistently low-performing school, Madison Middle School or within a Dade County Economic Opportunity Zone. The PBA will be amended when locations are determined.							
Academic Program	Knowledge is Power Program (KIPP) – a national nonprofit network of charter schools with a focus on college-preparatory education.							
Projected Grade Levels/ Enrollment Capacity:	Year	Grades	Students					
	1	Kindergarten – Grade 1 Grades 6 - 7	up to 448					
	2	Kindergarten – Grade 2 Grades 6 -8	up to 1,120					
	3	Kindergarten – Grade 3 Grades 6 - 9	up to 2,016					
	4	Kindergarten – Grade 4 Grades 6 - 10	up to 3,132					
	5	Kindergarten - Grade 11	up to 4,016					
LEA Status, for funding purposes only	Yes							
Administrative Fee	The District shall withhold an administrative fee in the amount of 2 percent (2%) of available funds for the first 250 students per school.							
Causes for non/renewal or termination (pursuant to s. 1002.333(5)(g), F.S.):	<ul> <li>Failure to achieve academic performance set forth in Annual Objectives section of the PBA;</li> <li>Failure to meet generally accepted standards of fiscal management; and</li> <li>Material violation of the PBA or violation of law.</li> </ul>							

## DISTRICT IMPACT

Any significant increase in charter school student enrollment (Charter FTE) directly impacts the District's operating budget as well as instructional and non-instructional staffing levels. The performance-based agreement being presented represents an increase in overall charter school enrollment and an anticipated initial loss to the District for the 2020-2021 SY.

To ensure that the District's financial position remains positive, Board authorization is requested to allow a Reduction-in-Force/Layoff only if it becomes necessary. Any such Reduction-in-Force/Layoff affecting instructional and non-instructional staff would be implemented in accordance with School Board policies and applicable collective bargaining agreements. The number of position reductions will not exceed the stated Initial Loss included in this item and will be re-evaluated and adjusted in subsequent years to reflect changes in FTE.

TOTAL INITIAL LOSS (2021-2022 SY)									
District Impact	Initial Loss		Initial Loss - Human Capital						
	Total FEFP Revenue (\$)	Projected Charter FTE (#)	Instructional Positions		Non- Instructional	Total			
			Core <sup>1</sup>	Non- Core <sup>2</sup>	Positions	Positions			
TOTAL INITIAL LOSS:	\$2,065,274	448	18	4	14	36			

Additionally, there could be an impact should the school district not enter into a PBA within the 60-day timeframe, which would result in an automatic reduction to the administrative fees withheld for every charter school in operation, pursuant to s. 1002.33(20), F.S. *The estimated loss would be \$644 thousand per month or \$7.7 million annually.* 

# DUE PROCESS

To ensure proper notice and due process, the Hope Operator was noticed of the Superintendent's recommendation to the School Board and was provided a copy of the contract prior to the School Board Meeting. The Hope Operator was also informed of the School Board's Personnel, Student, School and Community Support Committee Meeting and procedures for requesting to appear before the School Board at meetings and public hearings.

Copies of the NOI, PBA and Hope Operator Designation Letter can be accessed online at the links provided on page 5, under *Attachments*, and will be available for inspection by the public in the Office of Board Recording Secretary, Room 924, and in the Citizen Information Center, Room 158, 1450 N.E. Second Avenue, Miami, Florida 33132.

Board approval of this item does not reflect or constitute a finding of need, justification, or endorsement for any charter school as proposed in the item but only that it meets the statutory requirements for Board approval of a School of Hope Performance-based

<sup>&</sup>lt;sup>1</sup>Core includes: elementary education, language arts/reading, mathematics, science, and social science.

<sup>&</sup>lt;sup>2</sup>Non-Core includes: electives and all other subject areas and programs.

Agreement under Section 1002.333, F.S., State Board of Education Rule 6A-1.0998271, F.A.C., and School Board Policy, 9800, *Charter Schools*.

# **ATTACHMENTS**

Attachment A:FDOE KIPP Designation Clarification LetterAttachment B:SOH Notice of Intent - KIPP Miami - North MiamiAttachment C:SOH – School of Hope Performance-based Agreement (PBA)

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida:

- A. Approve a School of Hope Performance-based Agreement with KIPP Miami, Inc., for a 5-year term commencing July 1, 2021 and ending June 30, 2026; and
- B. Approve a Reduction-in-Force/Layoff as needed, only to the extent described in this item as Total Initial Loss, in accordance with School Board Policies and applicable collective bargaining agreements.