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RECOMMENDATION SUBMITTAL

DATE OF SUBMITTAL: June 27, 2017

DATE OF MEETING: June 29, 2017

TO: Mitch D’Olier, Chairperson Applications Committee

FROM: Sione Thompson, Executive Director

AGENDA ITEM: VII. Action on Charter Application for Proposed Charter School,
DreamHouse Ewa Beach

I. DESCRIPTION

Action on Charter School Application for Proposed Charter School, DreamHouse Ewa Beach.

II. AUTHORITY

Charter School Applications: Pursuant to §302D-5(a), Hawaii Revised Statutes, “[a]uthorizers are responsible for executing the following essential powers and duties: . . . (1) Soliciting and evaluating charter applications; (2) Approving quality charter applications that meet identified educational needs and promote a diversity of educational choices; [and] (3) Declining to approve weak or inadequate charter applications[.]”

III. APPLICANT PROFILE (AS DESCRIBED BY THE APPLICANT)

Proposed School Name: DreamHouse Ewa Beach

Mission: “Our Mission is to co-empower children to be affirmed in their individual identities, grounded in and committed to our island culture and community, and equipped with a 21st century skill set to be leaders within our community and state.”

Vision: “Affirmed in identity, empowered in leadership, our graduates will be leaders of our island community.”

Geographical Area: “Ewa Beach. Specifically, south of Papipi Road, south of Hanakahi Street, along North Road, Ewa Beach Road and Pohakupuna Road.”

Key Components of the Educational Model: “DreamHouse is an inquiry-based educational program focused on local leadership development and identity affirmation. It is informed by years of teaching in and learning from the ‘Ewa Beach community. It places students at the center of a learning experience influenced by specific goals, outcomes, and supporting elements, and shaped directly by four primary areas of focus: 1) A locally developed curriculum grounded in Hawaii and contextual learning highlights our commitment to connecting with Ewa Beach’s children and families, and building a school around context, local knowledge, our islands, and the very real challenges and opportunities that exist. 2) Production-based assessments and learning benchmarks – Our children are producers; they are resilient; they each need and deserve an opportunity to put on display their potential and passion, which is why learning and growth will be directly measured by assessments that are about students and allowing each to demonstrate (publicly) content mastery. 3) Inquiry-driven learning environments – Questions, exploration, growth, and an appreciation for the process of learning, our learning environments and classrooms will be places of productive struggle, within the Zone of Proximal Development, encouraging children from 11 to 18 years old to take risks and push their own learning edge. 4) Dynamic teaching staff diverse instructional strategies – Teachers who bring positivity and energy to the classroom, while seeing themselves as guides and supporters of learning, placing students at the center of all developmental experiences, our educators will leverage culturally responsive, progressive teaching and learning strategies to support growth.

This model will drive success for children in Ewa Beach because it was designed with and specifically for children in Ewa Beach, highlighting areas that were deemed critical through our years of teaching, partnership, and listening including, but not limited to identity affirmation, contextual learning, culture, maximizing potential, and developing leaders.”

Enrollment Summary

Grade Level	Number of Students											
	Year 1 2018		Year 2 2019		Year 3 2020		Year 4 2021		Year 5 2022		Capacity 2024	
Brick & Mortar/ Blended vs. Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual
K												
1												
2												
3												
4												
5												
6	100		100		100		100		100		100	
7			100		100		100		100		100	
8					100		100		100		100	
9							100		100		100	
10									100		100	
11											100	
12											100	
Subtotals	100		200		300		400		500		700	
Totals	100		200		300		400		500		700	

IV. BACKGROUND

Each application was reviewed by an evaluation team assembled by Commission staff. The Evaluation Team assigned to the DreamHouse Ewa Beach (DreamHouse) application was comprised of Beth Bulgeron (Team Lead), Amy Cheung, Danny Vasconcellos, Derek Scott Hall, Cindy Henry, and Sylvia Silva.

The Evaluation Team's role in the applications process is to evaluate the application against the evaluation criteria in order to develop recommendations for approval or denial to the Commission. In developing its recommendation, the Evaluation Team reviewed the application; conducted a capacity interview with applicant group members; and reviewed the applicant's response to the Request for Clarification. The Evaluation Team does not consider public hearing testimony, any comments that have been submitted by the DOE, or the applicant's response to the Evaluation Team Recommendation Report in developing its recommendation.

Key components of the evaluation process are as follows:

- Interview:** As required by Section 302D-13, HRS, the evaluation team conducted interviews with DreamHouse on April 6, 2017. The RFP required the proposed school director, proposed key school personnel, and members of the governing board to attend the interview and conduct a ten minute presentation on the main elements of their proposed charter school. The applicant group members that attended the interview were: Dr. Deborah Zuercher (governing board member), Meilan Akaka Manfre (governing board member), Zachry Dilonio (governing board member), and Alex Teece (proposed school director).

- **Request for Clarification:** Following the interview, the Evaluation Team may issue a Request for Clarification in order for the applicant to clarify certain elements of the proposal in writing. The Evaluation Team issued a request for Clarification to DreamHouse on April 17, 2017. DreamHouse submitted a completed Request for Clarification on May 1, 2017.
- **Public Hearing:** Section 302D-13, HRS requires the Commission to hold a public hearing to allow the public an opportunity to provide its input on each charter application. As such, the Commission held a public hearing on the applications submitted as part of the 2016-2017 applications cycle on May 11, 2017. The RFP required the proposed school director, proposed key school personnel, and members of the governing board to attend the public hearing and conduct a ten minute presentation on the main elements of their proposed charter school. Three applicant group members, three community members, the executive director of the Hawaii Public Charter School Network, and a State Representative provided oral testimony in support of DreamHouse. Written testimony was submitted for this applicant from 28 individuals.
- **Evaluation Team Recommendation Report:** This report is produced by the Evaluation Team culminating the review of the application, capacity interview, and request for clarification. Additionally, the applicant has the option to respond in writing to the Evaluation Team Recommendation Report. If the applicant opts to write a written response to the Evaluation Team Recommendation Report, the Evaluation Team may also write a rebuttal to the applicant's response. The Evaluation Team Recommendation Report was sent to DreamHouse on May 22, 2017. DreamHouse submitted a written response to the Evaluation Team Recommendation Report on June 1, 2017. The Evaluation Team submitted a rebuttal to the DreamHouse response to the Evaluation Team Recommendation Report on June 9, 2017.
- **DOE Comments Solicited:** Commission staff solicited comments from the Department of Education ("DOE")—particularly the Campbell – Kapolei Complex Area Superintendent, Heidi Armstrong—on the DreamHouse application. The DOE Office of Strategy, Innovation and Performance emailed Commission staff comments that it compiled from the Complex Area Superintendent.
- **Executive Director (Staff) Recommendation:** This recommendation is completed by the Executive Director and appears in the section below.

The Evaluation Team Recommendation Report (**Exhibit A**), DreamHouse Response to the Evaluation Team Recommendation Report (**Exhibit B**), Evaluation Team Rebuttal to Applicant Response (**Exhibit C**) and Comments from the DOE (**Exhibit D**) are attached to this submittal.

V. INFORMATION FOR CONSIDERATION

Evaluation Team Recommendation Report

In creating its Recommendation Report for DreamHouse, the Evaluation Team assessed the following:

- DreamHouse's application was assessed against the evaluation criteria presented in the RFP;
- Capacity interview; and
- Request for Clarification.

Following the review of the application, capacity interview and Request for Clarification, the Evaluation Team came to a consensus on its recommendation to deny the charter application for

DreamHouse. In order to receive a recommendation for approval, an application must meet the standard of approval in all four core areas of the application. The recommendation to deny the DreamHouse application was due to the applicant not meeting the standard of approval in two of the four core areas of the application. DreamHouse satisfied the criteria with its academic plan and organizational plan. However, it did not meet the standard of approval with its financial plan, and applicant capacity.

The Evaluation Team found that the academic plan met the standard since the plan presented provided a comprehensive framework for rigorous, high quality instructional design that is aligned to academic standards. Additionally, the organizational plan met the standard since Evaluation Team found that the applicant's plan is coherent and aligns with the school's mission, vision, academic plan and financial plan. However, the Evaluation found that the financial plan did not meet the standard since the plan was heavily dependent on donations and grant funding. The Evaluation Team also noted that DreamHouse's contingency plan to address revenue shortfalls relied on a revolving credit line which may not be permitted by State law. The Evaluation Team found that the DreamHouse application did not meet the standard for applicant capacity since it did not have the capacity to implement a sound financial plan.

Applicant Response

DreamHouse submitted a response to the Evaluation Team Recommendation Report. The response to the Evaluation Team Recommendation Report questioned why its financial plan section met the standard for approval in their 2015-2016 application, but did not meet the standard of approval in the 2016-2017. DreamHouse also questioned the analysis of some of the sections within the financial plan section.

Evaluation Team Rebuttal to Applicant Response

The Evaluation Team submitted a rebuttal to the applicant response to the Recommendation Report to address the questions that DreamHouse raised. The Evaluation Team discussed the evaluation of the financial plan where the financial plan section met the standard for approval in the 2015-2016 evaluation, and the same response did not meet the standard in the 2016-2017 evaluation. The Evaluation Team clarified that when there are repeat applicants, if possible, team members change from the previous year to allow for a fresh review that is free from bias or higher expectations, and that the application is reviewed without reference to what has been submitted in a previous cycle. The Evaluation Team noted that there were many changes to the evaluation criteria in the 2016-2017 RFP, and that a different review team's analysis of the same plan may result in different outcomes. The Evaluation Team also clarified the results of its analysis on the applicant's financial plan.

DOE Comments on DreamHouse Ewa Beach

The DOE Office of Strategy, Innovation and Performance emailed Commission staff the comments that it compiled from the Campbell – Kapolei Complex Area Superintendent. The only comments provided were, "DreamHouse Charter School proposes to offer nothing unique. With the exception of small size, much of what the applicant is proposing are currently addressed in the schools in the district."

Executive Director (Staff) Recommendation

In developing the executive director (staff) recommendation, the RFP states that the following will be considered:

- Evaluation Team Recommendation Report, Applicant Response, Evaluation Team rebuttal
- Public hearing testimony
- DOE comments

While the Evaluation Team Recommendation Report covers a variety of issues, the executive director has attempted to focus on the few issues that appear to be the most significant and would have the biggest impact on an applicant's ability to successfully start and operate a high-quality charter school. The omission of an issue from this review is not meant to indicate that the executive director believes that the issue was resolved one way or another, only that it is not a major point of contention or is not a critical point that warrants further analysis here. For each key point the executive director reaches a conclusion for the Committee's consideration, but at a minimum the inclusion of these points in this submittal are intended to draw out the key points for an approval or denial of the application.

DreamHouse Ewa Beach did not meet the standard in two of the four core areas of the application. The applicant satisfied the criteria for the academic plan and organizational plan sections. However, the applicant did not meet the standard for approval with its financial plan and applicant capacity. It is a strong concern that the school's financial viability is contingent on grants and donations in the startup year and in the three years that follow. The capacity of the individuals is a concern, as there is little demonstration of a record of accomplishment of raising such funds in the field of the education in the manner described by the applicant. Additionally, the multifaceted job description of the school director raises concerns. The individual suggested as director of the school does not have experience managing a project of this scope. Also, HIDOE had responded to this application expressing that much of what the applicant is proposing is currently being addressed in the district schools. HIDOE did acknowledge that the schools small size would be the exception.

It is the Recommendation of the Executive Director to support the review team's ratings in each of the four core areas of the application. This applicant has strengths and has great potential to add significant value to its targeted community. The areas of deficiency however pose significant risk and liability to the state. If the Commission considers approval of this applicant, the Commission could in its deliberation consider clear expectations that would mitigate the aforementioned concerns.

The duty of the Evaluation Team is to recommend approval or denial of each application based on its merits. The Commission's Executive Director, with assistance from the Operations Section, is charged with reviewing the Evaluation Team recommendation report, the testimony at public hearings, comments from the Department of Education, and other information obtained during the application process in making his final recommendation to the Commission. The authority and responsibility to decide whether to approve or deny each application rests with the Commissioners.

VI. SCOPE OF COMMISSIONER REVIEW

To make a recommendation to the full Commission regarding the approval or denial of each application, the RFP states that the Applications Committee will consider the following:

- Executive Director (Staff) recommendation
- Evaluation Team Recommendation Report, Applicant Response, Evaluation Team rebuttal
- Public hearing testimony
- DOE comments

Applicants were advised at the beginning of the application process that the Application should be a complete and accurate depiction of their proposed plans and that no new information would be accepted after the Evaluation Team Recommendation Report is issued. For the purposes of the applications process, new information means any information that substantially differs from what is provided in the application and is revisionary in nature. Applicants had the opportunity to provide clarifying information through the Request for Clarification responses. However, applicants may not provide any new information beyond the information provided to the Evaluation Team in the Application, capacity interview, or responses to the Request for Clarification because such new information would not have been completely evaluated by the Evaluation Team. Further, the Request for Proposals states that the Commission shall not consider new information that was not available to the Evaluation Team. As such, when conducting their review of the application, and during decision-making, Commissioners should not consider any new information submitted by the applicant.

VII. RECOMMENDATION

Recommending the denial of the DreamHouse Ewa Beach application.

Exhibit A

Evaluation Team Recommendation Report for DreamHouse Ewa Beach



State Public Charter School Commission 2016-2017 Recommendation Report

Charter Application for
DreamHouse Ewa Beach

Evaluation Team

Team Lead: Beth Bulgeron

Evaluators: Amy Cheung

Derek Scott Hall

Cindy Henry

Sylvia Silva

Danny Vasconcellos

Introduction

In 2012, the Hawaii State Legislature passed Act 130, replacing the state's previous charter school law, Hawaii Revised Statutes ("HRS") Chapter 302B, with our new law, codified as HRS Chapter 302D. Act 130 instituted a rigorous, transparent accountability system that at the same time honors the autonomy and local decision-making of Hawaii's charter schools. The law created the State Public Charter School Commission ("Commission"), assigned it statewide chartering jurisdiction and authority, and directed it to enter into State Public Charter School Contracts ("Charter Contract") with every existing charter school and every newly approved charter school applicant.

The 2016-2017 Request for Proposals and the resulting evaluation process are rigorous, thorough, transparent, and demanding. The process is meant to ensure that charter school operators possess the capacity to implement sound strategies, practices, and methodologies. Successful applicants will clearly demonstrate high levels of expertise in the areas of education, school finance, administration, and management as well as high expectations for excellence in professional standards and student achievement.

Evaluation Process

Building off of the advice and training from national experts and experience gained in the last application cycle, the Commission's Operations Section created standardized evaluation forms, provided evaluator training, and assembled the Evaluation Team based on the national best practices, policies, and standards needed to authorize high-performing charter schools. The highlights of the process are as follows:

Proposal Evaluation. The Evaluation Team conducted individual and group assessments of completed applications. The Commission's Operations Section conducted a completeness check to ensure the Evaluation Team only reviewed complete submissions.

Capacity Interview. After the initial review, the Evaluation Team conducted an in-person assessment of the applicant's capacity. The interview also served to clarify some areas of the application.

Request for Clarification. After receiving initial clarification through the capacity interview, the Evaluation Team identified any areas of the application that required further clarification. Applicants had the opportunity to respond to the Evaluation Team's Request for Clarification in writing to address these issues.

Due Diligence. The Evaluation Team considered any other available information relevant to each application.

Consensus Judgment. The Evaluation Team came to consensus regarding whether to recommend the application for approval or denial.

The duty of the Evaluation Team is to recommend approval or denial of each application based on its merits. The Commission's Executive Director, with assistance from the Operations Section, is charged with reviewing this recommendation report, the testimony at public hearings, comments from the Department of Education, and other information obtained during the application process in making his final recommendation to the Commission. The authority and responsibility to decide whether to approve or deny each application rests with the Commissioners.

Report Contents

This Recommendation Report includes the following:

Proposal Overview

Basic information about the proposed school as presented in the application.

Recommendation

An overall judgment regarding whether the proposal meets the criteria for approval.

Evaluation Summary

A summary analysis of the proposal based on four primary areas of plan development and the capacity of the applicant to execute the plan as presented:

1. Academic Plan
2. Organizational Plan
3. Financial Plan
4. Evidence of Capacity

Rating Characteristics

Meets the Standard	The response reflects a thorough understanding of key issues. It addresses the topic with specific and accurate information that shows thorough preparation; presents a clear, realistic picture of how the proposed school expects to operate; and inspires confidence in the applicant's capacity to carry out the plan effectively.
Does Not Meet the Standard	The response meets the criteria in some respects but has substantial gaps, lacks detail and/or requires additional information in one or more areas and does not reflect a thorough understanding of key issues. It does not provide enough accurate, specific information to show thorough preparation; fails to present a clear, realistic picture of how the school expects to operate; and does not inspire confidence in the applicant's capacity to carry out the plan effectively.
Falls Far Below the Standard	The response does not meet the criteria in most respects, is undeveloped or significantly incomplete; demonstrates lack of preparation; raises substantial concerns about the viability of the plan; or the applicant's capacity to carry it out.

Evaluation Report

A report, attached as **Appendix A**, detailing the strengths and weakness of the proposal based on evaluation criteria.

Proposal Overview

Proposed School Name

DreamHouse Ewa Beach

Mission and Vision (as described by the applicant)

Mission:

“Our Mission is to co-empower children to be affirmed in their individual identities, grounded in and committed to our island culture and community, and equipped with a 21st century skill set to be leaders within our community and state.”

Vision:

“Affirmed in identity, empowered in leadership, our graduates will be leaders of our island community.”

Geographic Location (as described by the applicant)

“Ewa Beach. Specifically, south of Papipi Road, south of Hanakahi Street, along North Road, Ewa Beach Road, and Pohakupuna Road.”

Anticipated Student Population (as described by the applicant)

“Campbell Complex student population (according to Hawai’i DOE and public sources): approximately 40% Filipino, 20% Native Hawaiian, 15% White, 7% Samoan, 5% Japanese, 13% additional ethnicities (Hispanic, Black, Chinese, Micronesian); approximately 8% of children qualify for Special Education programming and 5% have been identified with Limited English Proficiency; 41.3% of residents speak a language other than English at home; less than half of the 6,000 students across the seven feeder elementary schools attended pre-kindergarten; Ewa Beach community educational attainment: college graduate (21.6%), some college (38.9%), high school (30.5%), less than high school (8.8%). Potential non-academic challenges include various socio-emotional learning needs and the impact of poverty on our kids.”

Contribution to Public Education System (as described by the applicant)

“(1) the first contiguous middle and high school option (linking grades 6-12); (2) a smaller, more intimate option for (100 student cohorts); (3) Local governance (currently no charter schools in the Complex); (4) school model built around leadership and identity development; (5) capacity & choice – largest high school in the state, one middle school per either side of Fort Weaver, DreamHouse Ewa Beach provides another option.”

Enrollment Summary (as described by the applicant)

Grade Level	Number of Students											
	Year 1 2018-19		Year 2 2019-20		Year 3 2020-21		Year 4 2021-22		Year 5 2022-23		Capacity 2024-25	
Brick & Mortar/ Blended vs. Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual
K												
1												
2												
3												
4												
5												
6	100		100		100		100		100		100	
7			100		100		100		100		100	
8					100		100		100		100	
9							100		100		100	
10									100		100	
11											100	
12											100	
Subtotals	100		200		300		400		500		700	
Totals	100		200		300		400		500		700	

Executive Summary

DreamHouse Ewa Beach

Recommendation

Deny

Summary Analysis

The recommendation of the Evaluation Team is to deny the application for DreamHouse Ewa Beach since the applicant did not meet the standard in two of the four core areas of the application. The applicant satisfied the criteria for the academic plan and organizational plan sections. However, the applicant did not meet the standard for approval with its financial plan and applicant capacity.

The academic plan meets the standard since it provides a comprehensive framework for rigorous, high quality instructional design that is aligned to academic standards. The academic plan is aligned to the proposed school’s mission and vision and the applicant has selected curriculum, materials, and an instructional approach that will assist them in ensuring student success. Courses also have clear outcomes that are tied to standards and the applicant’s mission and vision.

The organizational plan meets the standard since it is coherent and aligned with the school’s mission, vision, academic plan and financial plan. The applicant board is also comprised of qualified individuals who have expressed a commitment to the development and success of the proposed school.

The financial plan does not meet the standard due to the applicant’s heavy reliance on donations and grant funding during their start-up and three year operating budget. The application provided a comprehensive plan for the start-up period that covers all applicable areas and is in alignment with the academic, organizational, and financial plans, however the plan is too dependent on grants and donations. Additionally the contingency plan to address revenue shortfalls relies on a revolving credit line which may not be permitted. Based upon what has been presented at this time and their proposed budget to operate their school, the application does not meet the standard.

The applicant’s capacity does not meet the standard since the Evaluation Team found that it did not have the financial capacity implement a sound financial plan.

Summary of Section Ratings

Opening and maintaining a successful, high-performing charter school depends on having a complete, coherent plan and identifying highly capable individuals to execute that plan. It is not an endeavor for which strengths in some areas can compensate for material weakness in others.

Therefore, in order to receive a recommendation for approval, the application must receive a “Meets the Standard” rating in all areas.

Academic Plan

Meets the Standard

Financial Plan

Does Not Meet the Standard

Organizational Plan

Meets the Standard

Evidence of Capacity

Does Not Meet the Standard

Academic Plan

DreamHouse Ewa Beach

Rating

Meets the Standard

Plan Summary (as described by the applicant)

“The DreamHouse educational model is aligned to their vision of empowering leaders for their island community. Student-centered, inquiry-driven learning is core to the educational philosophy--this model is the engine to our academic plan. Key components:

- *A contiguous cycle of goal-oriented course design, teaching and learning, growth and outcomes assessment, and leadership and professional development, which ties to goals and course design;*
- *Strong student data-driven-supporting elements that resource and inform instructional design;*
- *Integrated learning experiences that join (1) locally developed, culturally responsive curriculum, (2) production-based assessments and learning benchmarks, (3) inquiry-driven learning environments, (4) and dynamic educators and diverse instructional methods.*
- *The students; they are in the center; always.”*

Analysis

The academic plan **meets the standard** for approval because it provides a comprehensive framework for rigorous, high-quality instructional design that is aligned to academic standards. The academic plan is also aligned to the proposed school’s mission and vision, and the applicant has carefully selected curriculum, materials, and an instructional approach that will assist them in ensuring student success with rigorous expectations.

The curriculum and academic program are thoughtfully designed with core educational competencies identified. Courses have clear outcomes that are tied to standards and the applicant’s mission and vision. Additionally, the application includes a clear understanding of how Common Core State Standards and English Language Arts can be integrated within other curricular areas.

The academic plan provides a collaborative and reflective process for the creation, implementation, and maintenance of a professional culture. A specific strength noted by the evaluation team is the use of “Wednesday Huddles” that foster teacher leader development and the proposed school’s professional development structure is clearly described with appropriate goals.

The proposed school’s daily schedule has been developed with the proposed school’s mission and vision in mind and allows voice and choice from students. The identified activities that the proposed school will engage in to create school culture support the whole child.

Organizational Plan

DreamHouse Ewa Beach

Rating

Meets the Standard

Plan Summary (as described by the applicant)

The organizational plan, as proposed in the Request for Proposal, provides *“a clear vision, set of criteria, timeline, delineation of responsibilities, and corrective action protocols. The DreamHouse organizational plan will ensure the following: effective delivery of the education program, transparent financial management and oversight, active governance and reporting, the well-being of students and employees, a safe and adequate learning environment, and compliance with local, state, and federal law, as well as Commission requirements.”*

Analysis

The organizational plan **meets the standard** for approval because it is coherent overall and aligned with the school’s mission and vision, the Academic Plan, and the Financial Plan. The applicant board is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals on the applicant board meet the considerations of specific skill sets noted in Section 302D-12, HRS.

The applicant provided extensive information on its proposed governance structure, as well as the school conceptual framework and clearly explained how the school and the proposed governing board would interact with various supports, both internal and external, such as the school Community Council, strategic advisors, and the board of the non-profit organization created to support the school, DreamHouse Inc. The applicant also clearly describes the lines of authority between these various organizations and the proposed governing board. The bylaws for the proposed governing board adequately describe the governance procedures of the proposed governing board.

The applicant has also proposed to develop and implement specific processes and procedures intended to support the organizational plan. The applicant developed a “three bucket” system for organizational performance management; the three buckets being compliance, climate, and charter. The majority of the responsibility for this lies with the Leadership Support Team, led by the School Director and other school staff. This system intends to incorporate the school’s compliance requirements with an evaluation system that takes in feedback from the governing board and the school community in order to promote accountability. The applicant has developed a six stage system of corrective actions for any compliance breaches that includes staff, the Leadership Support Team (a group made up of high level school administrators), and the governing board. The six stage system of corrective actions starts at basic communication and clarification efforts and escalates to removing personnel from the school or board.

The applicant has provided a comprehensive, reasonable, and sound facility plan which includes short-term, mid-term, and long-term options; evidence that the applicant has done and continues to do extensive work on securing a facility. In the Request for Clarification, the applicant provided further detail on multiple facility options that could accommodate the proposed enrollment targets for Years 1 and 2. The applicant's primary focus is on securing a facility that accommodates 300 students; which would allow the school to serve grades 6 through 8 in Years 1 through 3. However, though the applicant's facility plan meets the criteria required in the Request for Proposal, there are concerns raised within the plan.

The applicant's focus on initially securing a facility that can accommodate only 300 of the proposed 700 students that the school intends to serve at capacity will present challenges in the first years of operation. According to multiple facility plan options that the applicant has provided, the school will need to open 8th grade in Year 3 (expanding the total student enrollment to 300) and simultaneously look for a facility that can accommodate grades nine and beyond.

Financial Plan

DreamHouse Ewa Beach

Rating

Does Not Meet the Standard

Plan Summary

DreamHouse’s School Board and School Board’s Finance Committee will provide oversight of all financial aspects of the Financial Management of the school. The school intends to contract with a provider (to be determined) for accounting and bookkeeping services. The Operations Lead and School Director will monitor accounting activities.

The Financial Plan provides an operating budget between \$991,120 and \$2.2 million from year one to year three. Budgeted revenues, expenses and operating gains or losses for years one through three is presented as follows:

Year	Total Operating Revenues	Total Operating Expenses	Total Operating Gain/(Loss)
1	\$991,120	\$868,200	\$122,920
2	\$1,582,239	\$1,340,300	\$241,939
3	\$2,173,358	\$1,822,278	\$351,080

Analysis

The financial plan **does not meet the standard** for approval due to the applicant’s heavy reliance on funding received through grants and donations to finance large parts of its operations during their start-up and three year operating budget.

The proposal provided a comprehensive plan for the start-up period that covers all applicable areas and is in alignment with the academic and organizational plans. However, the start-up plan and start-up period activities are contingent on the applicant group securing \$400,000 in grants and donations during this period, and \$600,000 in grants and donations from year one to year three, totaling \$1 million. To date, the applicant has committed funds of \$50,000. Execution of the start-up plan and the opening of the school are dependent on securing the funding during the start-up period. The evaluation team is concerned that if the applicant is unable to raise the projected funds through grants and donations, the

impact to the school could be severe and may prevent the applicant from successfully executing its start-up plan.

The financial plan does not include a sound contingency plan to address revenue shortfall if the school were to experience financial difficulties. It includes utilizing a revolving credit line to address the situation where the school may have low cash on hand in year one and thereafter, which could present a potential liability to the state if the school is unable to repay the non-profit for the amount of the loan. Further, the school has provided no assurances of capital (collateral) for the revolving credit line.

The evaluation team recommends that if the applicant is approved, pre-opening assurances be put in place that would require interim fundraising thresholds to be met to ensure that the applicant would have enough funds to successfully open the school. In addition, pre-opening assurances should require facilities to be secured by January 10, 2018 if the school is approved and intends to open in the fall of 2018, so that any potential delay in the opening of the school would not adversely affect any students, families or staff.

Evidence of Capacity

DreamHouse Ewa Beach

Rating

Does Not Meet the Standard

Plan Summary

The applicant states that, *“its leadership team and applicant governing board is a diverse team of educators with years of experience developed through careers in education, nonprofit, business, law, and human capital development. We are local, and we are from the mainland; we have teachers and school leaders, as well as attorneys and former bankers. Our qualifications range from the former Executive Director of Teach For America Miami to a Fulbright Scholar; Richardson Law graduate to a Punahou alumna; local teacher and a career banker. Each of these worlds gave us the opportunity to develop people, to manage towards goals, to course correct, and to be held accountable. We each bring a strong work ethic, integrity, and passion for service to this work. Years of teaching and education leadership, nonprofit board positions, financial management, and local community knowledge is ingrained in who we are as a team, and we collectively bring this experience and passion to DreamHouse.”*

Analysis

The applicant team **does not meet the standard** for approval. The applicant meets the standard with regard to its academic and the organizational capacity. However, the applicant does not meet the standard with the financial capacity section.

The applicant demonstrated academic capacity since during the capacity interview, the expertise and diversity of the applicant board was evident as each member was able to provide coherent descriptions and responses to satisfy concerns of the academic evaluation team. The applicant also provided details within the proposed school’s application, as well as during the capacity interview, that there is a clear understanding and knowledge of the anticipated student population and community that the proposed school will serve.

While the proposed school director has no administrative experience, it is the evaluation team’s belief that he has the qualifications and ability to design, launch, and lead a high-quality charter school that will effectively serve the anticipated student population and implement the proposed academic plan.

The applicant demonstrates organizational capacity as the group is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals composing the applicant board meet the considerations of specific skill sets noted in Section 302D-12, HRS, which are non-profit governance, financial management, academic management, human resources experience, and fundraising experience. The applicant, in its application, has described appropriate

processes and procedures that result in a coherent organizational plan.

The applicant has also expressed an understanding of the governance and organizational structures associated with becoming a state agency as the group has developed a transition plan that will facilitate the movement of members from the applicant group to the board of the proposed school's affiliated non-profit organization, DreamHouse Inc., in order to address any potential conflicts of interest. However, this will result in vacancies on the school governing board during the critical start-up period. The Evaluation team is confident that this will not be an issue for the applicant.

The applicant does not demonstrate financial capacity due to their inability to put together a solid financial plan. The applicant stated that they would be outsourcing fiscal management to an outside vendor yet to be identified; therefore, the capacity of a fiscal service provider is unable to be determined.

Evaluator Biographies

Beth Bulgeron

Ms. Bulgeron is the Commission's Academic Performance Manager. She previously was the administrator of the school improvement section in the Hawaii Department of Education's Office of Curriculum, Instruction and Student Support. She has experience as an intermediate and high school administrator and was the founding principal of a Chicago high school. She has developed standards-based curriculum and assessments for public school districts and charter schools in several states and has served as a curriculum consultant. Prior to that, she taught for seven years. She earned her BA at the University of Wisconsin, Madison and her JD and LLM in Education Law and Policy at the University of the Pacific, McGeorge School of Law.

Amy Cheung

Ms. Cheung is the Commission's Financial Performance Manager. She previously worked as a Senior Auditor with the City and County of Honolulu, Office of the City Auditor. She is a certified public accountant in California and has also worked for other government and non-profit agencies including the California Victim Compensation and Government Claims Board, the State Office of the Auditor, Hawaii State Legislature, the Queen's Medical Center, and the California State Controller's Office. She earned her BS in Business Administration and Accountancy from California State University, Sacramento and a MBA from Hawaii Pacific University.

Derek Scott Hall

Mr. Hall is the Commission's Financial Performance Specialist. He previously served as the Participant Accounting Supervisor for the Hawaii Employer-Union Health Benefits Trust Fund. He is a graduate of Montana State University.

Cindy Henry

Ms. Henry is an Educational Specialist in the Hawaii Department of Education's School Transformation Branch. She previously worked at the Commission as the Education Specialist/Title 1 Linker. She has twenty years of education experience, including teaching in a variety of settings in California, as well as serving as a Regional Program Director and Director of a charter school. She has a BA in Sociology from Chico State University and a MA in Education from Grand Canyon University.

Sylvia Silva

Ms. Silva is the Commission's Organizational Performance Specialist. Prior to working at the Commission she worked for its predecessor agency, the Charter School Review Panel (CSRP). Before her work in charter school authorizing she had 7 years of experience in operations at the school level which included

school pre-opening/start-up phase systems and policy development, registrar functions, and school bookkeeping. She holds a BA in Business Administration from Chaminade University of Honolulu.

Danny Vasconcellos

Mr. Vasconcellos is the Commission's Organizational Performance Manager. He previously worked at the State Office of the Auditor as an Analyst where he worked on or lead projects that required him to identify internal control weaknesses and analyze the effectiveness of state agencies. While at the Office of the Auditor, he worked on the audit of Hawaii's charter schools and a study of the Hawaii Teacher Standards Board. He also served as a researcher for the Hawaii State Legislature's House Finance Committee and has extensive knowledge of Hawaii's legislative process and funding. He holds a Master of Public Administration from the University of Hawaii at Manoa.

Appendix A
2016-2017 Evaluation Report for
DreamHouse Ewa Beach

Evaluation Criteria Overview

The Application Requirements and Criteria are the essential tools for the Evaluation Team, used in both their individual and team assessments of each application. The Evaluation Team presents both ratings on a scale and narrative analysis of each section of the application as compared to the Application Requirements and Criteria. Throughout the application evaluation process, evaluators will update their analysis to include additional information (due diligence, capacity interview, etc.) as it is presented. Within each section and subsection, specific criteria define the expectations for a response that “Meets the Standard.” In addition to meeting the criteria that are specific to that section, each part of the application should align with the other sections of the application. In general, the following definitions guide evaluator ratings:

Meets the Standard	The response reflects a thorough understanding of key issues. It addresses the topic with specific and accurate information that shows thorough preparation; presents a clear, realistic picture of how the proposed school expects to operate; and inspires confidence in the applicant’s capacity to carry out the plan effectively.
Does Not Meet the Standard	The response meets the criteria in some respects but has substantial gaps, lacks detail and/or requires additional information in one or more areas and does not reflect a thorough understanding of key issues. It does not provide enough accurate, specific information to show thorough preparation; fails to present a clear, realistic picture of how the school expects to operate; and does not inspire confidence in the applicant’s capacity to carry out the plan effectively.
Falls Far Below the Standard	The response does not meet the criteria in most respects, is undeveloped or significantly incomplete; demonstrates lack of preparation; raises substantial concerns about the viability of the plan; or the applicant’s capacity to carry it out.

Opening a successful, high-performing charter school depends on having a complete, coherent plan. It is not an endeavor for which strength in one area can compensate for material weakness in another. Therefore, in order to receive a recommendation for approval, the application must demonstrate evidence of capacity to implement the proposed plan, meet the criteria for all main sections of the application (Academic Plan, Organizational Plan, Financial Plan, and Applicant Capacity), and present an overall proposal that is likely to result in the successful opening of a *high-quality charter school*, as defined in the Request for Proposals (“RFP”).

Note on Evidence of Capacity

Throughout the evaluation of the application, the Evaluation Team assessed the applicant’s capacity to

execute the plan as presented. In total, a high-quality application demonstrates evidence that the applicant has the capacity needed in all key areas in order to open and operate a *high-quality charter school* that improves academic outcomes for students. This evidence includes:

- Individual and collective qualifications (which may include, but is not limited to, documented and relevant credentials and experience reflected in the resumes of all members and an understanding, as demonstrated by the application responses, of challenges, issues, and requirements associated with running a *high-quality charter school*, as defined in the RFP) to implement the Academic Plan successfully, including sufficient capacity in areas such as school leadership, administration, and governance; curriculum, instruction, and assessment; performance management; and parent or guardian and community engagement.
- Individual and collective qualifications for implementing the Organizational Plan successfully, including sufficient capacity in areas such as staffing, professional development, performance management, general operations, and facilities acquisition, development, and management.
- Individual and collective qualifications for implementing the Financial Plan successfully, including sufficient capacity in areas such as financial management, fundraising and development, accounting, and internal controls.

Evaluation Report

I. School Overview

The School Overview section is not separately rated by evaluators. However, the Evaluation Team will consider each section of the application to assess its alignment with the statements in the School Overview section, as it provides the foundation for the entire application.

II. Academic Plan

A strong Academic Plan is coherent overall and aligned internally with the proposed school's mission and vision; Organizational Plan; and Financial Plan.

Section II.A: Academic Plan Overview, Academic Philosophy, and Student Population

This section is not separately rated by the evaluators. However, a strong Academic Plan will demonstrate consistent alignment with the Academic Plan Overview, Academic Philosophy, and Student Population.

Section II.B: Curriculum and Instructional Design

Meets the Standard

Does Not Meet the Standard

Falls Far Below the Standard

Criterion II.B.1

A clear description of course outcomes for each course at each grade level that if achieved at the high school level, will ensure a student graduates with the competencies, skills and content knowledge to be successful in any post-secondary education opportunities he or she may seek to pursue, and if achieved at the elementary or middle school level, will situate the student to achieve academic success at the next level of his or her academic career.

Strengths:

DreamHouse's academic plan provides a description of a student's Core Competencies that are well defined and the rubric is easily understood. Courses described in the academic plan have clear outcomes that are tied to standards AND the applicant's mission/vision.

Weaknesses:

None.

Criterion II.B.2

A clear description of the rigorous academic standards that will be used at the proposed school including:

- a. A rationale for inclusion each set of standards that the proposed school plans to adopt that demonstrates an understanding of how each set of standards will contribute to the success of student learning under the Academic Plan; and
- b. A clear articulation of how the standards based curriculum will be aligned to standards-based

instruction, standards-aligned formative and summative assessments and standards-based grading and reporting of student progress.

Strengths:

The academic plan articulates a clear understanding of how CCSS in ELA are woven into other curriculum areas.

Weaknesses:

DreamHouse is an inquiry-based model, yet, not including a C3 framework seems incomplete.

Criterion II.B.3

A reasonable and sound timeline and description of how instructional materials will be developed or selected and a list of individuals that will be involved in the development or selection process. If the instructional materials have been selected, a description and explanation that clearly demonstrates how the materials support the Academic Plan. If the proposed Academic Plan includes a *virtual or blended learning program*, include a clear description of the virtual learning curriculum program(s) and a reasonable rationale for the selection of the curriculum program(s).

Strengths:

DreamHouse’s criteria for course development is well-thought out and comprehensive.

Weaknesses:

None.

Criterion II.B.4

A clear list of academic goals and targets and a description of how the proposed school assesses the progress of individual students, student cohorts, and the school as a whole on the identified goals and targets. The description must clearly explain how the identified assessments will accurately measure progress toward the identified goals and targets.

Strengths:

DreamHouse has taken ownership of ensuring grade level proficiency by the end of 8th grade, ensuring readiness for high school rigor and their use of ILDPs is commended.

Weaknesses:

DreamHouse’s goal of 100% graduates accepted to 4-year college or university is inconsistent with Ownership and Graduation stage that identifies “viable job and career plan” as an acceptable outcome.

Criterion II.B.5

A clear and comprehensive description for how instructional leaders and teachers will use student data to administer, collect, and analyze the results of diagnostic, formative, benchmark/interim, and summative assessments to inform programmatic and instructional planning decisions and make adjustments to curricula, professional development, and other school components. The description must clearly explain the roles and responsibilities of the instructional leadership team in overseeing teachers’ progress toward helping students meet their identified goals and targets and clearly describe the formalized process and supports that will enable teachers to reflect on student progress and adjust their instruction accordingly.

Strengths:

DreamHouse is using research-based protocols.

Weaknesses:

None.

Criterion II.B.6

A clear description of the instructional strategies that the proposed school will use that adequately explains how these strategies support the mission, vision, and academic philosophy of the proposed school and are well-suited to the anticipated student population. The description must also include the interventions and modifications that will be made to instructional strategies if students are not meeting identified goals and targets. If the proposed school's Academic Plan contains a *virtual or blended learning program*, the description must adequately explain how the proposed instructional strategies will work with the virtual learning components to result in a coherent instructional program.

Strengths:

DreamHouse's description provides sufficient detail of interventions and modifications to be employed when needed.

Weaknesses:

DreamHouse did not explicitly explain how strategies tie to mission, vision, and academic philosophy, but adequately implied them.

Criterion II.B.7

Graduation Requirements.

- a. A clear description of the course and credit requirements for graduation, including a description of how GPA will be calculated, that meets BOE's graduation requirements.
- b. If graduation requirements for the proposed school will differ in any way from BOE Policy 4540, an explanation of how they will differ (including exceeding BOE graduation requirements), including compelling reasons and justification for the differences, and a reasonable and sound plan for adjusting graduation requirements (including any necessary adjustments to other components of the Academic Plan) in the event the BOE does not grant a waiver from its policy.

Strengths:

DreamHouse adequately meets this criterion.

Weaknesses:

None.

Criterion II.B.8 (sub-criteria a through cc)

Virtual and Blended Learning. If the proposed school's plan contains a *virtual or blended learning program*, as defined in the RFP:

- a. A clear overview of any *virtual or blended learning program* that is appropriate for the anticipated student population and clearly demonstrates that all students receive adequate support, including:
 - i. State the number of anticipated students that will access either a blended model, and/or a virtual program at your proposed school.
 1. For students accessing the virtual program, indicate the number of hours per month the student will access the virtual or distance learning program outside of your school's site.
 - ii. A description of the general organization of the *virtual learning* schedule (e.g., fixed daily schedule, modified schedule, open entry/open exit), including an adequate explanation of how schedules will be modified, if at all, for students that fail to meet learning goals;
 - iii. For *blended learning programs*, an explanation of whether and how the program enhances or supports classroom instruction;
 - iv. A description of the teacher's role, the role of any non-teacher faculty

- members (paraprofessionals, counselors, parent instructional coaches), the student's role and the parents' role in any virtual learning program.
- v. Describe what, if any, additional responsibilities will be required of teachers in the virtual environment (course development/design, research, website maintenance) and describe how the school will communicate these responsibilities to teachers. Describe how the school will provide professional development appropriate to the delivery method used.
 - vi. A plan for orientation for prospective and enrolled students, their parents, and their instructional coaches on the course delivery model prior to the beginning of the school year.
 - vii. A description of the degree of support provided to students using any *virtual learning program* (e.g., little or no support, school based mentoring support, school or home mentoring support).
 - viii. Describe whether a student enrolled in the virtual school can be enrolled in credit bearing instructional activities at another institution.
 - ix. A description of the student to teacher ratio in the *virtual learning program* (e.g., traditional classroom ratio, 2-3 times traditional classroom ratio, instructional helpdesk model).
- b. A video demonstration, as a URL to a video on a browser-viewable platform (like YouTube), of the proposed *virtual or blended learning program* curriculum that clearly portrays the student and teacher experience with the *virtual learning* curriculum, including both the student and teacher user interfaces.
 - c. Describe whether students will be required to regularly or periodically attend your school facility. Specify such requirements and describe the facility.
 - d. Describe how the school will ensure or facilitate student attendance at in-person school activities.
 - e. An explanation of how the proposed school will define, monitor, verify, and report student attendance, student participation in a full course load, credit accrual, and course completion that provides sufficient evidence that all students will be accounted for and engaged in a complete and rigorous educational program.
 - f. A description of the proposed school's virtual attendance policy.
 - g. Describe the virtual and blended learning program's policies regarding truancy, absence, withdrawal, credit recovery, and dual enrollment.
 - h. Describe the intervention the school will take when students are not logging in and/or completing coursework as required.
 - i. A sound plan for administering and proctoring mandated assessments, including a reasonable budget that is reflected in the Financial Plan Workbook.
 - j. Describe the plan and method for the administration of all required state assessments.
 - k. A reasonable plan to uphold the academic integrity of the *virtual or blended learning program* that describes the systems and procedures for validating the authenticity of student work. Describe procedures to ensure the integrity and authenticity of student work product and assessment scores, including the use of an academic honesty and computer acceptable use policy. Describe the intervention to be used when students fail to provide authentic work product or assessment responses. Describe the role that parents will have in promoting accountability.
 - l. Describe the data retention, security, acceptable use, electronic communication, and confidentiality policies.
 - m. An adequate explanation of measures the proposed school will take to ensure student safety, both technologically and educationally, that are compliant with applicable federal privacy laws (FERPA, CIPPA, and COPPA).

- n. Describe how the school will provide for the health and safety of students in both online and offline activities.
- o. Describe how the school will administer required health screenings to students in virtual programs.
- p. An adequate explanation of how the proposed model ensures that there are minimal interruptions to learning, should technological challenges arise, including a description of the plan for technical support and troubleshooting for students, teachers, parents or guardians, and administrators. Describe the scope of technical support that will be provided, including where support staff will be located, and the hours (including weekends and holidays) and manner in which support will be accessible to students and school employees.
- q. Describe procedures to deliver instruction when equipment, software, or connectivity at any location is lost or impaired. Specify who will pay for internet connectivity, and address minimum bandwidth and a course of action for any areas of the state that do not have the minimum bandwidth.
- r. Describe data protection and recovery procedures in event of catastrophic system failure (including offsite system backup).
- s. Describe all technological equipment and services that the school will provide, including hardware, software, connectivity, and media storage devices, and property controls and equipment tagging that will be in place. Specify any equipment or technological support that students or families will be responsible for purchasing or obtaining.
- t. A clear description of the platform dependencies for the proposed curricular materials and instructional strategies and an adequate explanation of how the proposed technology selection supports those dependencies. (For example, the proposed curriculum runs a Microsoft Windows-based application, and therefore requires Windows-compatible laptops and tablets rather than iPads.)
- u. Describe how the virtual program will provide services to all enrolled students with exceptionalities, regardless of where the student resides.
- v. Describe the virtual program's procedures for Individual Education Plan (IEP) meetings, including determining where such meetings will occur.
- w. Describe how the virtual program will implement ADA and Rehabilitation Act standards for accessibility to web-based curricula.
- x. Indicate the nature, frequency, and location of all required in-person meetings between parents and school faculty/administration, such as parent-teacher conferences, parent-teacher meetings, field trips, etc.
- y. Indicate the nature and frequency of all optional opportunities for in-person meetings and interactions such as open houses and school community meetings.
- z. Describe the procedures for parents to contact virtual charter school faculty and administrators with concerns of any nature and the procedures and required timelines for prompt and helpful responsiveness to such communications.
- aa. Describe how the school will provide adequate, timely, and appropriate technical support to students, teachers, facilitators, and instructional coaches.
- bb. Describe whether training opportunities to parents and guardians will be available.
- cc. Describe how parents access student grades and understand student progress.

Strengths:

N/A

Weaknesses:

N/A

Section II.C: Special Populations and At-Risk Students

<input checked="" type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
<p>Criterion II.C.1</p> <p>An outline of the overall plan to serve <i>educationally disadvantaged students</i> and students with special needs that demonstrates an understanding of, and capacity to fulfill, state and federal obligations and requirements pertaining to <i>educationally disadvantaged students</i> and students with special needs, including but not limited to the following subgroups: students with IEPs or Section 504 plans; ELL students; students performing below grade level; students identified as intellectually gifted; homeless students; and students at risk of academic failure or dropping out. The plan must identify any other special needs populations and at-risk subgroups that the proposed school expects to serve, whether through data related to a specifically targeted school or geographic area or more generalized analysis of the population to be served, and describe the evidence or data that was used to determine that the proposed school should anticipate serving the population.</p>		
<p>Strengths: DreamHouse demonstrated thorough understanding of RTI and the need to support all students, while at the same time identifying supports for individual sub-groups.</p> <p>Weaknesses: None.</p>		
<p>Criterion II.C.2</p> <p>For <u>each</u> of the aforementioned subgroups of students with special needs (and any other subgroups the applicant identifies), a comprehensive and compelling plan or explanation for:</p> <ol style="list-style-type: none"> a. The percentage of the anticipated student population that will likely have special needs and how the evidence or data that was used to make this determination was derived; b. The curriculum, daily schedule, staffing plans, instructional strategies, and resources that will be designed to meet the diverse needs of all students; c. Methods for appropriate identification of potential students with special needs, how these methods will be funded, and how misidentification will be avoided; d. Specific instructional programs, practices, and strategies the proposed school will employ to do things like provide a continuum of services; ensure students' equitable access to general education curriculum; ensure academic success; and opportunities the proposed school will employ or provide to enhance students' abilities; e. Monitoring, assessing, and evaluating the progress and success of students with special needs, including plans for ensuring each student with special education needs attains IEP goals and for exiting ELL students from ELL services; f. For proposed schools that have a high school division, plans for promoting graduation; g. Plans to have qualified staff adequate for the anticipated special needs population, especially during the beginning of the first year; and h. If the proposed school's plan contains a <i>virtual or blended learning program</i>, a clear description of how the virtual component addresses students with special needs, which may include IEP meetings and modifications, as necessary, for transitioning to or from a fully or partially virtual learning program. 		
<p>Strengths: DreamHouse's tables are well organized and thorough.</p> <p>Weaknesses: None.</p>		
<p>Criterion II.C.3</p>		

A clear illustration of how the proposed curriculum and Academic Plan will accommodate the academic needs of students performing below grade level and a clear description of the supports and instructional strategies beyond special education that will support underperforming students in meeting and exceeding standards.

Strengths:

DreamHouse adequately met this criterion.

Weaknesses:

None.

Criterion II.C.4

A clear description of how the proposed school will identify students who would benefit from accelerated learning opportunities through its assessment of students’ needs, a clear illustration of how the proposed curriculum will accommodate those performing above grade level, and a comprehensive description of the supports and instructional strategies that will ensure these students are challenged and able to access the level of rigor that aligns with students’ individualized needs.

Strengths:

DreamHouse adequately met this criterion.

Weaknesses:

None.

Section II.D: Academic Performance Management

Meets the Standard

Does Not Meet the Standard

Falls Far Below the Standard

Criterion II.D.1

Comprehensive and effective plans for evaluating and monitoring academic performance that explain how the proposed school will measure and evaluate performance data, including:

Academic Performance Data Evaluation Plan. A comprehensive and effective plan and system for:

1. Collecting, measuring, and analyzing student academic achievement data of individual students, student cohorts, and the school as a whole—throughout the school year, at the end of each academic year, and for the term of the Charter Contract—including identification of the student information system to be used;
2. Using the data to refine and improve instruction, including descriptions of training and support that school directors, any management team, teachers, and governing board members will receive in analyzing, interpreting, and using academic performance data to improve student learning; the qualified person(s), position(s), and/or entities that will be responsible for managing the data, interpreting it for teachers, and leading or coordinating data-driven professional development to improve student achievement; and how the person(s), position(s), and/or entities will be provided time to complete the aforementioned collection, analysis, management, interpretation, and coordination of data-driven professional development; and
3. Reporting the data to the school community.

Strengths:

DreamHouse articulated a consistent understanding of board’s role and need for staff to be trained on data analysis and use to drive instruction.

Weaknesses:

None.
Criterion II.D.2 A clear description of thoughtful, appropriate corrective actions the proposed school will take if it falls short of: <ol style="list-style-type: none"> a. Student academic achievement expectations or goals at the school-wide, classroom, or individual student level, including an explanation of what would trigger such corrective actions and the person(s), position(s), and/or entities that would be responsible for implementing them.
Strengths: DreamHouse’s description was well organized.
Weaknesses: None.

Section II.E: School Culture		
<input checked="" type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
Criterion II.E.1. A clear and coherent description of the shared beliefs, attitudes, traditions, and behaviors of the proposed school community, and a detailed plan describing how these shared beliefs, attitudes, customs, and behaviors will be developed and implemented and create a school culture that will promote high expectations and a positive academic and social environment that fosters intellectual, social, and emotional development for all students.		
Strengths: DreamHouse’s response is detailed and complete.		
Weaknesses: None.		
Criterion II.E.2 A sound plan for developing a proposed school culture that is conducive to a safe learning environment for all students and how the proposed school will adequately identify, assess, monitor, and address the social, emotional, behavioral, and physical health needs of all students on an ongoing basis. The plan should explain the types of activities that the proposed school will engage in to create the school culture.		
Strengths: DreamHouse’s plan supports the whole child.		
Weaknesses: None.		
Criterion II.E.3 A reasonable and sound plan for the school culture and staff that will intentionally expose students to post-secondary educational and career opportunities at all grade levels. The plan must identify the curricular or extracurricular programs that will provide students with access to college or career preparation and include research-based evidence that these programs increase educational aspirations for the anticipated student population.		
Strengths: DreamHouse’s plan includes great resources.		
Weaknesses:		

DreamHouse's plan is unclear as to which, if any, of the resources and partners offer programs to middle school students.

Criterion II.E.4

Student Discipline.

- a. A clear description of the proposed school's philosophy on cultivating positive student behavior and a student discipline policy that provides for appropriate, effective strategies to support a safe, orderly school climate and fulfillment of academic goals, promoting a strong school culture while respecting student rights.
- b. Legally sound policies for student discipline, suspension, dismissal, and crisis removal, including the proposed school's code of conduct and procedural due process for all students, including students afforded additional due process measures under IDEA.
- c. Appropriate plan for including teachers, students, and parents or guardians in the development and/or modification of the proposed school's policies for discipline, suspension, dismissal, and crisis removal.
- d. Legally sound list and definitions of offenses for which students in the school must (where non-discretionary) or may (where discretionary) be suspended or dismissed.

Strengths:

DreamHouse's plan provides a clear understanding of BOE required steps/outcomes, and articulated a sound process.

Weaknesses:

None.

Section II.F: Professional Culture and Staffing

Meets the Standard

Does Not Meet the Standard

Falls Far Below the Standard

Criterion II.F.1

Professional Culture

- a. A sound plan for the creation, implementation, and maintenance of a professional culture and clear explanation of how the professional culture will contribute to staff retention, how faculty and staff will be involved in school level decisions and in developing new initiatives, and how success will be assessed. Professional development and evaluation is covered in Criteria II.F.2 and should not be discussed here.
- b. If a high proportion of economically disadvantaged students is a part of the anticipated student population, a clear description of how the proposed school will address the anticipated academic challenges posed by the lack of socioeconomic diversity and the concentration of poverty among its students.

Strengths:

DreamHouse's plan articulates a collaborative and reflective culture.

Weaknesses:

None.

Criterion II.F.2

Professional Development

- a. A clear description of the appropriate goals and data-driven strategy of the proposed school for ongoing professional development, including whole staff development, grade/level/course teams, and instructional coaching. The description must explain how professional development topics will be identified and how the professional development plan will be driven by data to improve teaching and learning as well as school performance. The description must also include the process for evaluating the efficacy of the professional development.
- b. A description of professional development opportunities, leadership, and scheduling that effectively support the Academic Plan and are likely to maximize success in improving student achievement, including an adequate induction program. The description must explain what will be covered during the induction period and how teachers will be prepared to deliver any unique or particularly challenging aspects of the curriculum and instructional framework and methods.
- c. A clear description of the expected number of days or hours for regular professional development throughout the school year that includes an explanation of how the proposed school's calendar, daily schedule, and staffing structure accommodate this plan; the time scheduled for common planning or collaboration; and an explanation for how such time will typically be used. The description must identify ways the professional development scheduling conflicts with Master Collective Bargaining Agreements, explain any specific amendments that may be needed through supplemental agreements, and provide an adequate contingency plan in the event such amendments cannot be negotiated under supplemental agreements.
- d. A description identifying the person or position with the time, capacity, and responsibility for coordinating professional development and a reasonable plan for identifying ongoing professional development needs, including sufficient funds and resources (Title II funds, etc.) for implementing the professional development plan.

Strengths:

DreamHouse's Wednesday Huddles with teacher leader development; 20% time is a great idea and is a strong detailed response that paints a very clear picture of the PD structure for this school.

Weaknesses:

None.

Criterion II.F.3

Staff Structure

- a. A complete staffing chart for the proposed school, using the Staffing Chart Template (**Exhibit 2**) and provided as Attachment F (required form), that clearly indicates all positions, is aligned with the Academic Plan, and proposes a salary structure that is in alignment with the proposed school's budget.
- b. A description of a reasonable rationale for the staffing plan, as demonstrated in the staffing chart, that clearly explains how the relationship between the proposed school's leadership or management team and the rest of the staff will be managed and includes justifiable teacher-student and total adult-student ratios for the proposed school.
- c. If the proposed school has a *virtual or blended learning program*, a clear description for the identification of the position(s) dedicated to IT support and a reasonable plan that clearly ensures sufficient capacity for deploying and managing technology inventory and network needs with minimal interruptions to teaching and learning, including troubleshooting support for school staff and students.

Strengths:

DreamHouse adequately meets the criterion.

Weaknesses:

None.

Criterion II.F.4

Staffing Plans, Hiring, Management, and Evaluation

- a. A clear description of the proposed school’s recruitment and hiring strategy, criteria, timeline, and procedures that are likely to result in a strong teaching staff that is highly effective in accordance with the state’s plan under the Every Student Succeeds Act (“ESSA”) and are well-suited to the proposed school, including other key selection criteria and any special considerations relevant to the proposed school’s design. The description must also explain strategies, including compensation packages, that are likely to attract and retain high-performing teachers.
- b. If the proposed school offers a *virtual or blended learning program*, a clear description of the proposed school’s recruitment and hiring strategy, criteria, timeline, and procedures that are likely to result in strong virtual learning teachers that have the requisite subject-matter knowledge, technological proficiency, communication skills, and other capabilities necessary to teach effectively in the virtual learning environment.
- c. A clear description of realistic and legally sound procedures for hiring and dismissing school personnel, including procedures for conducting criminal history record checks.
- d. A thoughtful plan for supporting, developing, and annually evaluating school leadership and teachers that is likely to produce and retain a successful staff, including a description of the processes, protocols, framework, criteria, and/or tools that will be used for conducting evaluations, delivering feedback, and coaching. The plan must cite any evidence or existing research supporting the effectiveness of utilizing the specified approach. If already developed, the plan should provide any leadership evaluation tool(s) as Attachment G (no page limit) and any teacher evaluation tool(s) as Attachment H (required attachment, no page limit) that are likely to be effective. Evaluation tools must align with the criteria outlined in BOE Policy 2055 and related provisions of any Master Collective Bargaining Agreements, unless specific amendments are executed in a supplemental agreement. If amendments will be needed, the plan must describe the specific amendments that would be necessary to implement the evaluation tool(s), demonstrate an understanding of the employment environment, and include a reasonable plan for contingencies if the amendments cannot be negotiated under a supplemental agreement.
- e. An effective plan that explains how the proposed school intends to promote or incentivize satisfactory and exceptional school director, management team, and teacher performance and handle unsatisfactory school director, management team, or teacher performance, including effective planning for turnover.
- f. A satisfactory explanation of any deviations in staffing plans, including salaries, from Master Collective Bargaining Agreements, including identification of amendments that would be needed in a supplemental agreement and a reasonable plan for contingencies if such amendments cannot be negotiated under a supplemental agreement.

Strengths:

DreamHouse adequately met the criterion.

Weaknesses:

None.

Section II.G: School Calendar and Schedule

Meets the Standard

Does Not Meet the Standard

Falls Far Below the Standard

Criterion II.G.1

A school calendar for the proposed school's first year of operation, including total number of days school is in session, hours of instruction, holidays, days off and half days, professional development days, summer programming and/or instruction, first and last days of class and organization of the school year (quarters, semesters, trimesters,) including the beginning and ending of each segment provided as **Attachment I (no page limit)**, and a satisfactory explanation of how the calendar aligns with and clearly reflects the needs of the Academic Plan.

Strengths:

DreamHouse adequately meets this criterion.

Weaknesses:

None.

Criterion II.G.2

A clear description of the structure of the proposed school's day and week that aligns with and clearly reflects the needs of the Academic Plan, including the following:

- a. A description of the length and schedule of the school week.
- b. A description of the length and schedule of the school day including start and dismissal times.
- c. The minimum number of hours or minutes per day and week that the proposed school will devote to academic instruction in each grade.
- d. The number of instructional hours or minutes in a day for core subjects.
- e. A satisfactory explanation of why the proposed school's daily and weekly schedule will be optimal for student learning.
- f. Clear information about how teachers' work will be organized on a weekly or annual basis, including teacher planning time and professional development. The number of hours or minutes in a day for teacher planning time.
- g. Clear information about the length of the school day and year, including summer school and time allocated for teacher professional development.
- h. A school calendar and student schedule which provides at least as much core instructional time during a school year as required of other public schools.
- i. Explain any aspects of the school year that are not evident on the calendar or would benefit from further elaboration.
- j. Provide as Attachment J (required attachment, no page limit), a sample weekly student schedule for at least one grade that is representative of each level the school intends to operate (lower elementary, upper elementary, middle, and/or high school). If scheduling structures are unique to each grade, please provide a sample schedule for each grade.
- k. Provide as Attachment K (required attachment, no page limit), a sample weekly teacher schedule for at least one grade that is representative of each level the school intends to operate. If scheduling structures are unique to each grade, please provide a sample for each grade. Present a typical week of instruction, including: length of the teacher's work day, supervisory time, planning

- periods, professional development, and any other duties the teacher performs in a given day.
- I. Provide as Attachment I (required attachment, no page limit), a copy of the proposed school calendar for year one of the school's operations that clearly demonstrates: days that school is in session, holidays, days off and half days, professional development days, summer programming and/or instruction, first and last days of class and organization of the school year (quarters, semesters, trimesters,) including the beginning and ending of each segment.
 - m. A clear description, provided as Attachment D (required attachment, 1 page limit), of a school day from the perspective of a student (from their entry into the building to their exit) in a grade that will be served in the proposed school's first year of operation that aligns with the proposed school's vision and plan for school culture.
 - n. A clear description, provided as Attachment E (required attachment, 1 page limit), of a school day from the perspective of a teacher in a grade that will be served in the proposed school's first year of operation that aligns with the proposed school's vision and plan for professional culture.

Strengths:

DreamHouse's daily schedule for students is clearly tied to mission/vision and allows voice and choice from students.

Weaknesses:

None.

Section II.H: Supplemental Programs

Meets the Standard Does Not Meet the Standard Falls Far Below the Standard

Not Applicable

Criterion II.H.1

If applicable, a description of a sound plan for any summer school programs the proposed school will offer that will meet anticipated student needs, including a clear explanation for how the programs are integral to the proposed school's academic plan, a reasonable schedule and length of the program, and sound funding plan for the programs. If the programs will not be implemented in the first year of operation, the plan must describe the timeline for implementation.

Strengths:

N/A

Weaknesses:

N/A

Criterion II.H.2

If applicable, well-designed plans and identified funding for any extracurricular or co-curricular activities or programs the proposed school will offer that will meet anticipated student needs and provide enrichment experiences that are in alignment with the Academic Plan. The plans must describe how the activities and programs are integral to the proposed school's academic plan, how often they will occur, how they will meet anticipated student needs, and how they will be funded. If the activities or programs will not be implemented in the first year of operation, the plans must describe the timeline for implementation.

Strengths:

DreamHouse adequately meets this criterion.

Weaknesses:

None.

Section II.I: Third Party Service Providers

<input type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
<input checked="" type="checkbox"/> Not Applicable		

III. Organizational Plan

A strong Organizational Plan is coherent overall and aligned internally with the school's mission and vision, Academic Plan, and Financial Plan.

Section III.A: Governance

The governing board's mission, vision, and philosophy are not separately rated by the evaluators. However, these mission and vision statements should align with the proposed school's mission and vision and other parts of the application. Proposed schools are strongly encouraged to designate or establish an associated nonprofit organization to assist with fundraising and other support activities, especially during the start-up period, but this is not a requirement.

Meets the Standard

Does Not Meet the Standard

Falls Far Below the Standard

Criterion III.A.1

A clear description of the mission and vision of the proposed school governing board that is aligned with the proposed school's mission and vision. If different from the proposed school's mission and vision, a clear and concise description of the governance philosophy that will guide the proposed school governing board.

Strengths:

DreamHouse's vision of the proposed board aligns with the school's mission as it reaffirms the focus on leadership and positive change in the community.

Weaknesses:

None.

Criterion III.A.2

A description of the responsibilities of the governing board as a whole, its working relationship with the proposed school, and a description of the roles and responsibilities that each member of the governing board will have (i.e. Chairperson, Vice Chairperson, Treasurer, Secretary).

Strengths:

DreamHouse provided an adequate description of the governing board and its responsibilities, including a description of the roles of the officers of the board and certain other members.

Weaknesses:

DreamHouse should ensure that its meeting requirements, including requirements for minutes, are in alignment with the statutory requirements of Section 302D-12, Hawaii Revised Statutes.

Criterion III.A.3

Organizational charts, provided as Attachment Q (required attachment, no page limit), that clearly indicate all positions and illustrate the proposed school governance, management, and staffing structure in: a) Year 1; and b) all subsequent years until full capacity is reached. The organizational charts must clearly delineate the roles and responsibilities of (and lines of authority and reporting among) the proposed school governing board, staff, any related bodies (such as the proposed school's supporting nonprofit organization, advisory bodies, or parent/teacher councils), and any external organizations that will play a role in managing the proposed school. The organization charts must also document clear lines of authority and reporting between the proposed school

governing board and proposed school and within the proposed school.
<p>Strengths: DreamHouse provided extensive information on its proposed governance structure, as well as the school conceptual framework in Attachment Q. In Attachment Q, the applicant clearly explained how the school and the governing board would interact with various supports, both internal and external, such as the school Community Council, strategic advisors, and the board of the non-profit organization created to support the school, DreamHouse Inc. DreamHouse also clearly describes the lines of authority between the various organizations and the proposed governing board.</p> <p>Weaknesses: DreamHouse’s proposed school director will have many duties and responsibilities according to the application that go beyond school administration; in this case, the school director has been tasked to be the liaison between the school governing board and the non-profit associated with the school. This adds to the extensive responsibilities assigned to the school director.</p>
<p>Criterion III.A.4 A description of an effective governance structure of the proposed school, including the primary roles of the proposed school governing board and how it will interact with the school director, any school management teams, any essential partners, and any advisory bodies. The description must include the size, current and desired composition, powers, and duties of the proposed school governing board that will foster the proposed school’s success; identify key skills or areas of diverse expertise that are or will be effectively represented on the proposed school governing board; and adequately explain how this governance structure and composition will help ensure that: a) the proposed school will be an academic and operational success; b) the proposed school governing board will effectively evaluate the success of the proposed school and school director; and c) there will be active and effective representation of key stakeholders, including parents or guardians.</p>
<p>Strengths: DreamHouse provided an adequate description of the governance structure.</p> <p>Weaknesses: None</p>
<p>Criterion III.A.5 If the proposed school has a <i>virtual or blended learning program</i>, a clear description of the role the governing board will play in the virtual learning program that ensures the effective oversight of the virtual learning program, including a clear and realistic description of the requisite knowledge of virtual learning that the proposed governing board currently possesses or will endeavor to possess.</p>
<p>Strengths: N/A</p> <p>Weaknesses: N/A</p>
<p>Criterion III.A.6 If the membership of Applicant Governing Board has changed from the time it submitted its Intent to Apply Packet, a reasonable explanation justifying the membership changes.</p>
<p>Strengths: N/A</p>

Weaknesses:

N/A

Criterion III.A.7

Demonstrated will, capacity, and commitment of current and proposed governing board members to govern the proposed school effectively by providing the following:

- a. A list of all current and identified proposed school governing board members and their intended roles;
- b. A clear summary of members' qualifications for serving on the proposed school governing board, including an adequate explanation of how each member meets any of the considerations in HRS §302D-12 and will contribute a wide range of knowledge, skills, and commitment needed to oversee a *high-quality charter school*, including academic, financial, legal, and community experience and expertise;
- c. Completed and signed Board Member Information Sheets (Exhibit 4) and resumes for each proposed governing board member, provided as Attachment R (required form; no page limit), that demonstrates board members share a vision, purpose, and expectations for the proposed school;
- d. If not all board members have been identified, a comprehensive and sound plan and timeline for identifying and recruiting governing board members with the necessary skills and qualifications, including a description of such skills and qualifications; and
- e. If the current Applicant Governing Board will transition to a more permanent governing board, a comprehensive and sound plan for such a transition, including a reasonable timeline for recruiting and adding new members; a brief description of the individual and/or collective skills sets the anticipated board members are expected to bring, with specific reference to the skill sets described in HRS §302D-12; a description of the priorities for recruitment of additional or replacement proposed school governing board members and the kinds of orientation or training new members will receive; and identification of any bylaws, policies, or procedures changes that will be necessary for such a transition.

Strengths:

DreamHouse's board is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals composing DreamHouse's board meet the considerations of specific skill sets noted in Section 302D-12, HRS.

Weaknesses:

While DreamHouse clearly describes its plan to have some members of the applicant board transition off the applicant board to serve on the board of the associated non-profit, DreamHouse Inc, there is some concern that new members of the school governing board will need to be recruited and trained during the start-up period. To clarify, the concern is that the recruitment and onboarding of new governing board members will be an extremely critical task that will need to be closely monitored during the start-up period.

Criterion III.A.8

A clear description of effective governance procedures, including an explanation of the procedure by which current proposed school governing board members were selected and how any vacancies will be filled; an explanation of how often the board will meet both during start-up and during the school year; any plans for a committee structure and identification of chairs for any proposed committee(s); and a description of the governing board meetings, including how and where meetings will be conducted, how the governing board will

provide meaningful access to the public, and if board meetings are to be conducted virtually (such as through conference calls, videoconference, or web conference).

Strengths:

The bylaws for the proposed governing board adequately describe the governance procedures of the board.

Weaknesses:

DreamHouse provided the draft governing board bylaws in Attachment Q; DreamHouse should ensure that its meeting requirements, including requirements for minutes, are in alignment with the statutory requirements of Section 302D-12, Hawaii Revised Statutes.

Criterion III.A.9

A clear description of any existing relationships that could pose actual or perceived conflicts if the application is approved, the specific steps that the proposed school governing board will take to avoid any actual conflicts and to mitigate perceived conflicts.

Strengths:

DreamHouse clearly describes its plan to have some members of the applicant board transition off the applicant board to serve on the board of the associated non-profit, DreamHouse Inc.

Weaknesses:

None.

Criterion III.A.10

A clear description of sound plans for increasing the capacity of the proposed school governing board, orientation of new members, and ongoing training and development for members, including reasonable timelines, specific and thoughtful topics and capacities to be addressed, and requirements for participation.

Strengths:

DreamHouse has proposed to use existing materials, specifically the State of Colorado's Charter Board Governance Training Guide, to assist in training new board members and building capacity. The board will also be implementing a program in which existing board members serve as mentors for new members.

Weaknesses:

None.

Criterion III.A.11

If applicable, a clear and comprehensive description of the proposed school's associated nonprofit organization, including its current tax status and/or the plan and timeline for obtaining tax exempt status and the nonprofit's mission and purpose. The description must specifically identify ways that the proposed school's associated nonprofit organization will support the proposed school (such as community fundraising, developing partnerships, finding alternative funding sources, writing grants, and finding other ways to leverage existing resources) and specify any grants or programs that the nonprofit is planning to use. If the nonprofit's mission is not to solely support the proposed school, the description must also adequately explain any competing interests for the nonprofit's time and resources and how the proposed school will ensure such competing interests will not hinder the school's ability to operate and obtain outside supports.

Strengths:

DreamHouse provided the Letter of Incorporation for its associated non-profit, DreamHouse, Inc. The non-profit will be filing a Form 990 for the 2016-2017 year as it has not had assets until FY2016.

<p>Weaknesses: None.</p>
<p>Criterion III.A.12 A list of all current and identified nonprofit board members that is in compliance with the State Ethics Code and their intended roles and a description demonstrating that the nonprofit board members have the necessary experience and qualifications relevant to the above means of supporting the proposed school. If none of the current nonprofit board members have the requisite experience or capacity, the description must explain a comprehensive plan to identify and recruit individuals with the necessary experience and capacity.</p>
<p>Strengths: The individuals on the applicant board serving on the affiliated non-profit are qualified to support the school and do not have any demonstrated conflicts of interest. DreamHouse has also described a transition plan for members of the applicant board that will move exclusively to the non-profit board.</p>
<p>Weaknesses: None.</p>
<p>Criterion III.A.13 Discuss the procedures to be followed in the event of closure or dissolution of the school. Identify procedures to be followed in the case of the closure or dissolution of the charter school, including provisions for the transfer of students and student records to the complex area in which the charter school is located and for the disposition of the school's assets to the State Public Charter School Commission (SPCSC). Provide assurance that the school will follow any additional procedures required by SPCSC to ensure an orderly closure and dissolution process, including compliance with the applicable requirements of Hawaii Revised Statutes §302D-19.</p>
<p>Strengths: The school closure plan includes the necessary elements cited in Section 302D-19, HRS.</p>
<p>Weaknesses: DreamHouse should consider additional planning associated with the preparation of student records internally within the school. Internally, teachers and administrators will need to coordinate having students finish out the year and how simultaneously include the last quarter information and closing out the student files.</p>

Section III.B: Organizational Performance Management		
<input checked="" type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
<p>Criterion III.B.1 Comprehensive and effective plans for evaluating and monitoring organizational performance that explain how the proposed school will measure and evaluate performance data, including:</p> <p>a. <u>Organizational Performance Data Evaluation Plan.</u> A comprehensive and effective plan and system for maintaining, managing, compiling, and interpreting organizational performance data monthly, quarterly, annually and for the term of the Charter Contract, including descriptions of the qualified person(s), position(s), and/or entities that will be responsible for compiling data on performance and interpreting it for the school director and governing board and how the person(s), position(s), and/or entities will be provided time to complete the aforementioned compiling and interpretation.</p>		

Strengths:

DreamHouse has proposed a “three bucket” system for organizational performance management; the three buckets are compliance, climate, and charter. The majority of the responsibility for this lies with the Leadership Support Team, led by the School Director and other school staff. This system incorporates the school’s compliance requirements with an evaluation system composed of the governing board and the school community.

Weaknesses:

None.

Criterion III.B.2

A clear description of thoughtful, appropriate corrective actions the proposed school will take if it falls short of:

- a. **Organizational performance standards set in the Organizational Performance Framework, including an explanation of the actions that would be taken if the proposed school is issued Notices of Concern or Deficiency under the terms of the Charter Contract or if the proposed school has a corrective action plan approved by the Commission.**

Strengths:

DreamHouse has developed a six stage system of corrective actions that includes the Leadership Support Team and governing board. The six stage system includes basic communication and clarification efforts up to personnel separation.

Weaknesses:

None.

Section III.C: Ongoing Operations
 Meets the Standard
 Does Not Meet the Standard
 Falls Far Below the Standard
Criterion III.C.1

If the proposed school will provide daily transportation, a sound plan describing the transportation arrangements for prospective students, including a description of how the proposed school plans to meet transportation needs for field trips and athletic events. If the proposed school will not provide daily transportation, what were the factors that led to this decision and what was the impact of not providing transportation?

Strengths:

DreamHouse adequately meets this criterion.

Weaknesses:

DreamHouse should provide the rationale behind not providing transportation to better engage any interested families that may have concerns regarding this.

Criterion III.C.2

Sound plans for safety and security for students, the facility, and property, including descriptions of policies and the types of security personnel, technology, and equipment that the proposed school will employ. If the proposed school has a *virtual or blended learning program*, the description must include physical or virtual security features to deter theft.

Strengths:

DreamHouse provided an adequate safety plan covering both the safety of students and staff.

Weaknesses:

DreamHouse will need to add in the requirement for criminal history background checks conducted by the Hawaii Criminal Justice Data Center into its safety plans pertaining to Personnel.

Criterion III.C.3

If the proposed school will provide food service, a sound plan describing the proposed school’s plan for providing food to its students, including plans for a facility with a certified kitchen, transporting food from a certified kitchen, or other means of providing food service that is in compliance with applicable laws. If the proposed school will not provide food service, what were the factors that led to this decision and what will be the impact of not providing food service?

Strengths:

DreamHouse will be applying for the US Department of Agriculture’s Community Eligibility Provision (CEP) to assist the school in providing food service to its students. The applicant has also been engaging in community partnerships with local DOE schools and other food providers to assist in the school’s food service program.

Weaknesses:

None.

Section III.D: Student Recruitment, Admission and Enrollment

<input checked="" type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
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Criterion III.D.1

A sound, thoughtful, and comprehensive plan for student recruitment and marketing that will provide equal access to interested students and families and specifically describes plans for outreach to families in poverty, academically low-achieving students, students with disabilities, and other youth at risk of academic failure, as well as plans for promoting socioeconomic and/or demographic diversity, including a description of how the proposed school will attempt to make itself attractive to families with relatively higher incomes and/or levels of formal education if the proposed school is projecting a high percentage of free and reduced lunch and intends to achieve socioeconomic and/or demographic diversity.

Strengths:

DreamHouse has already engaged multiple community organizations within the Ewa Beach area to assist in its recruitment and outreach. The applicant has also proposed to begin recruitment in October of year before the start of school and to make enrollment forms available in November. The admission lottery, if needed, is scheduled for March of the year of opening.

Weaknesses:

None.

Criterion III.D.2

If applicable, the identification and description of any enrollment preferences that the proposed school would request that are in compliance with federal and state law and any Commission policies or guidelines, including a reasonable justification for the enrollment preference request.

Strengths:

DreamHouse adequately meets this criterion.

Weaknesses:

In the Request for Clarification, DreamHouse needed to explain that enrollment preferences for returning students and siblings are allowed in the school’s admission plan, as allowed for in statute.

Criterion III.D.3

An admission and enrollment policy, provided as Attachment S (no page limit), that complies with applicable laws and any Commission policies or guidelines, ensures the proposed school will be open to all eligible students, and includes:

- a. A reasonable timeline and comprehensive plan for the application period, including admission and enrollment deadlines and procedures and an explanation of how the school will receive and process applications;
- b. A reasonable timeline and comprehensive plan for student recruitment or engagement and enrollment;
- c. Effective procedures for lotteries, waiting lists, withdrawals, re-enrollment, and transfers in accordance with state and Commission requirements;
- d. Descriptions of reasonable pre-admission activities for students and parents or guardians, including an explanation of the purpose of such activities;
- e. A description of how the school will ensure that it will meet its enrollment targets; and
- f. A contingency plan if enrollment targets are not met.

Strengths:

DreamHouse has provided a comprehensive admission policy which includes a specific timeline that articulates the requirements for families interested in the school.

Weaknesses:

DreamHouse needed to clarify that enrollment preferences for returning students and siblings are being provided in the admission policy, as mentioned in the section above.

Section III.E: Geographic Location and Facilities

<input checked="" type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
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Criterion III.E.1

Geographic Location.

- a. A description, with reasonable specificity, of the geographic location of the proposed school’s facility, including the DOE complex area(s) in which the proposed school will be located.
- b. A reasonable rationale for selecting the geographic location and a comprehensive description of the research conducted, if any, to support that rationale.

Strengths:

DreamHouse has clearly articulated and been consistent in saying that school will be located within the Ewa Beach area.

Weaknesses:

None.

Criterion III.E.2

Facilities.

- a. **If the proposed school has obtained a facility, a description of the facility—including address, square footage, square footage rent, amenities, previous use, and what needs to be done in order for the facility to be in compliance and meet requirements to serve as a school—demonstrating**

that the facility is reasonably adequate for the intended purposes, has a sound plan and timeline for renovating and bringing the facility into compliance with applicable building codes, and will meet the requirements of the Academic Plan, including the needs of the anticipated student population. If the proposed school has a *virtual or blended learning program*, or relies heavily on technology, the description must adequately explain how the facility will support the proposed technology model, including electrical capacity and access to sufficient network capacity.

OR

If the proposed school has not obtained a facility, a comprehensive, reasonable, and sound plan and timeline for identifying, securing, renovating, and financing a facility—including identification any brokers or consultants the applicant is employing—that will be in compliance with applicable building codes and meet the requirements of the Academic Plan, including the needs of the anticipated student population. The plan must briefly describe possible facilities within the geographic area in Criterion III.E.1, including addresses, square footage, square footage rent, amenities, previous use, and a general assessment of what needs to be done to bring each possible facility into compliance. If the proposed school has a *virtual or blended learning program*, or relies heavily on technology, the description must adequately explain how each possible facility will support the proposed technology model, including electrical capacity and access to sufficient network capacity.

- b. If the proposed school plans to add students or grade levels during the first five years, a reasonable and sound facility growth plan that shows how the school will accommodate the additional square footage necessary for additional students, faculty, and staff and sufficiently identifies any permits or rezoning that might be necessary to implement the facility growth plan.

Strengths:

DreamHouse has provided a comprehensive, reasonable, and sound facility plan which includes short-term, mid-term, and long-term options; evidence that the applicant has done and continues to do extensive work on securing a facility. In the Request for Clarification, DreamHouse provided further detail on multiple facility options that could accommodate the proposed enrollment targets for Years 1 and 2. DreamHouse’s primary focus is on securing a facility that accommodates 300 students; which would allow the school to serve grades 6 through 8 in Years 1 through 3.

Weaknesses:

DreamHouse’s facility plan meets the criteria required in the Request for Proposal; however, there are concerns raised within the plan. The applicant’s focus on initially securing a facility that can only accommodate 300 of the proposed 700 students that the school intends to serve at capacity will present challenges for the school in its first years of operation. According to the facility plan that the applicant identifies as the preferred option, the school will need to open 8th grade in Year 3 (expanding the total student enrollment to 300) and simultaneously look for a facility that can accommodate grades nine and beyond. This will be a tremendous undertaking that the applicant says will involve the affiliated non-profit, the school, and other partners.

Section III.F: Start-Up Period

Meets the Standard Does Not Meet the Standard Falls Far Below the Standard

Criterion III.F.1

A comprehensive, reasonable, and sound management plan for the start-up period, provided as Attachment U

(no page limit), that aligns with the Academic, Organizational, and Financial Plans (including the start-up year (Year 0) budget in the Financial Plan Workbook). The management plan must detail the start-up plan for the proposed school, including specific tasks, timelines, milestones, and responsible individuals for each of the following areas

- a. Plans to obtain financing for the proposed school’s facility, highlighting the alignment of the financing plan with the timing of obtaining and renovating the facility, as described in Criterion III.E.2;
- b. Plans to fund the start-up period, including all plans for fundraising and grant writing and a description of any specific fundraising opportunities and grants the applicant has identified;
- c. Plans to market the proposed school to the school’s anticipated student population and develop partnerships with other charter schools, DOE schools, and private schools to identify possible students and achieve the proposed school’s projected enrollment, including any other ways the applicant plans to achieve its projected enrollment;
- d. Plans to hire teachers, administrative staff, and support staff during the start-up period, if any, incorporating the timelines for hiring teachers, described in Criteria II.F.4, and delivering the professional development, described in Criteria II.F.2;
- e. Plans to identify, recruit, select, and add or replace new governing board members that align with the recruitment plan described in Criterion III.A.7.d, the governing board transition plan described in Criterion III.A.7.e, and any governing board training described in Criterion III.A.10, as applicable; and
- f. Any other plans for activities that will need to be completed during the start-up period, such as the selection of curriculum materials, as applicable.

Strengths:

DreamHouse has provided a comprehensive plan for the start-up period that covers all applicable areas and is in alignment with the Academic, Organizational, and Financial Plans. DreamHouse has done extensive work on its facility plan and provided multiple options that are available to the school.

Weaknesses:

DreamHouse’s start-up plan and start-up period activities are contingent on the applicant group securing \$400,000 in grants and donations during this period. To date, DreamHouse has committed funds of \$50,000. Execution of the start-up plan and the opening of the school are dependent on securing the funding during the start-up period; an inability to raise the projected funds could severely affect the opening of the school and/or impact the Academic, Organizational, and Financial Plans the applicant group has detailed in its Request for Proposal.

Criterion III.F.2

A sound plan for leading the development of the school during its pre-opening phase, including identification of capable individuals who will work on a full-time or nearly full-time basis following approval of the application to lead development and implementation of the plan to open the proposed school and a description of a viable plan to obtain the funding necessary to compensate these individuals that is aligned with the budget.

Strengths:

The proposed school director will be hired on a full-time basis during the start-up period; the affiliated non-profit, DreamHouse Inc., is responsible for securing the funding for hiring the proposed director during this time.

Weaknesses:

None.

Section III.G: Conversion Charter School Additional Organizational Information

<input type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
<input checked="" type="checkbox"/> Not Applicable		

IV. Financial Plan

A strong Financial Plan is coherent overall and aligned internally with the proposed school's mission and vision, Academic Plan, and Organization Plan.

Section IV.A: Financial Oversight and Management

Meets the Standard Does Not Meet the Standard Falls Far Below the Standard

Criterion IV.A.1

A clear description that gives reasonable assurance that the proposed school will have sound systems, policies, and processes for financial planning, accounting, purchasing, and payroll, including an adequate explanation of how the proposed school will establish and maintain strong internal controls and ensure compliance with all financial reporting requirements. The description must also explain the plans and procedures for conducting an annual audit of the financial and administrative operations of the proposed school that is in accordance with state law, including a reasonable annual cost estimate of the audit that is included in the Financial Plan Workbook.

Strengths:

None.

Weaknesses

DreamHouse identified three strategy components for financial management and oversight but fails to explain the strategy implementation. The response lacks specifics of any internal control processes or procedures.

Criterion IV.A.2

A clear description of the roles and responsibilities that demonstrates a strong understanding of the appropriate delineation of such roles and responsibilities among the proposed school leadership team or management team and proposed school governing board regarding school financial oversight and management.

Strengths:

None.

Weaknesses:

DreamHouse partially identified those who will be involved in financial management and oversight, but fails to identify the external vendor(s) to be contracted and specify the services provided by such to clearly describe how management and oversight will be ensured.

Criterion IV.A.3

A description of sound criteria and procedures for selecting vendors or contractors for any administrative services, such as business services, payroll, and auditing services, including reasonable anticipated costs that are reflected in the Financial Plan Workbook.

Strengths:

None.

Weaknesses:

DreamHouse did not provide an adequate description of sound criteria and procedures for selecting vendors or contractors for any administrative services.

Section IV.B: Operating Budget

Meets the Standard Does Not Meet the Standard Falls Far Below the Standard

Criterion IV.B.1

Complete, realistic, and viable start-up and three-year operating budgets, provided through the Financial Plan Workbook (Exhibit 5) as Attachment Y (required form), that align to the Academic and Organizational Plans.

Strengths:

None.

Weaknesses:

DreamHouse did not provide a complete, realistic, and viable start-up budget.

1. The budget anticipates a total of \$1 million in fundraising revenues, of which \$400,000 is expected from Year 0. According to the applicant, an unconditional \$50,000 gift has been pledged. Lack of assured start-up capital may severely impact the school's ability to implement its academic and organizational plans and put the proposed charter school at risk for financial failure.
2. The budget does not align with the proposed charter school's facility strategy. At the capacity interview, DreamHouse presented four different facility options: church, fire department, city facility, and modular lease. These options are not reflected in the Financial Plan and each may materially impact the budget.

Criterion IV.B.2

Budget Narrative. A detailed budget narrative that clearly explains reasonable, well-supported cost assumptions and revenue estimates, including but not limited to the basis for revenue projections, staffing levels, and costs. The narrative must specifically address the degree to which the school budget will rely on variable income (especially for grants, donations, and fundraising) and must include the following:

- a. A description indicating the amount and sources of funds, property, or other resources expected to be available not only via per-pupil funding but also through corporations, foundations, grants, donations, and any other potential funding sources. The description must note which are secured and which are anticipated; explain evidence of commitment, and provide such evidence as Attachment Z (no page limit), for any funds on which the proposed school's core operation depends (e.g., grant award letters, MOUs); and describe any restrictions on any of the aforementioned funds.
- b. A sound contingency plan to meet financial needs if anticipated revenues are not received or are lower than estimated, including contingencies for scenarios where the official enrollment of the proposed school is substantially lower than projected and/or anticipated variable income is not received. The contingency plan must also include a Year 1 cash flow contingency, in the event that revenue projections are not met in advance of opening.
- c. If the proposed school has a *virtual or blended learning program*, a clear and comprehensive description of the necessary costs for delivery of such program, including costs associated with hardware, software, peripheral needs (cases, headphones, chargers, etc.), storage, and network infrastructure needs, as applicable.

Strengths:

None.

Weaknesses:

DreamHouse provided a budget that is not well-supported and conflicts with other information provided. For example, DreamHouse presented four different facility options during the capacity interview. These options are not reflected in the financial plan and each may materially impact the budget. Specifically, the budget does not represent the impact of a student body that grows exponentially annually on the Operations of Maintenance and Plant.

DreamHouse does not have a complete, sound contingency plan in the event that enrollment projections or other funding sources are not met. For example, the contingency plan includes utilizing a revolving credit line which could present a potential liability to the state if the school is unable to repay the non-profit for the loan amount. Further, DreamHouse has provided no assurances of capital (collateral) for the revolving credit line.

Section IV.C: Financial Performance Management

Meets the Standard Does Not Meet the Standard Falls Far Below the Standard

Criterion IV.C.1

Comprehensive and effective plans for evaluating and monitoring financial performance that explain how the proposed school will measure and evaluate performance data, including:

- a. **Financial Performance Data Evaluation Plan. A comprehensive and effective plan and system for maintaining, managing, compiling, and interpreting financial data monthly, quarterly, annually, and for the term of the Charter Contract, including descriptions of the qualified person(s), position(s), and/or entities that will be responsible for maintaining the data, managing the data, compiling it, and interpreting it for the school director and governing board and how the person(s), position(s), and/or entities will be provided time to complete the aforementioned maintenance, management, compiling, and interpretation.**

Strengths:

None.

Weaknesses:

DreamHouse did not provide a complete plan for evaluating and monitoring financial performance. For example, there is no discussion on how the data will be captured and analyzed. DreamHouse identifies the financial performance indicators in the Commission’s financial performance framework but there is no mentioned on how the analysis will be performed and by whom.

Criterion IV.C.2

A clear description of thoughtful, appropriate corrective actions the proposed school will take if it falls short of:

- a. **Financial performance standards set in the Financial Performance Framework, including an explanation of the actions that would be taken if the proposed school is issued Notices of Concern or Deficiency under the terms of the Charter Contract, if the independent auditor issues findings, or if the proposed school encounters financial difficulties.**

Strengths:

None.

Weaknesses:

DreamHouse did not provide a clear description of thoughtful, appropriate corrective actions related to the financial performance standards set in the Financial Performance Framework. The financial plan did not identify any measurable solutions to address not meeting financial performance standards.

V. Applicant Capacity

The applicant’s capacity is evaluated based on the applicant’s individual and collective qualifications (including, but not limited to, documented and relevant credentials and experience reflected in the resumes of all members) and the applicant’s demonstrated understanding of challenges, issues, and requirements associated with running a high-quality charter school (including, but not limited to, the application and Capacity Interview responses).

Section V.A: Academic Plan Capacity

<input checked="" type="checkbox"/> Meets the Standard	<input type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
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Criterion V.A.1

Evidence that the key members of the proposed school’s academic team have the collective qualifications and capacity (which may include, but is not limited to, documented and relevant credentials and experience reflected in the resumes of all members and an understanding, as demonstrated by the application responses, of challenges, issues, and requirements associated with running a *high-quality charter school*) to implement the school’s Academic Plan successfully. The evidence must include a description that:

- a. Clearly identifies the key members of the applicant’s academic team that will play a substantial role in the successful implementation of the Academic Plan, including current or proposed governing board members, school leadership or management, and any essential partners who will play an important ongoing role in the proposed school’s development and operation; and
- b. Describes the academic team’s individual and collective qualifications for implementing the proposed school’s Academic Plan successfully, including sufficient capacity in areas such as school leadership, administration, and governance; curriculum, instruction, and assessment; performance management; and parent or guardian and community engagement.

Strengths:

DreamHouse’s board has four members with educational experience and qualifications that will guide the implementation of the academic plan.

Weaknesses:

None.

Criterion V.A.2

A description of the academic team’s clear ties to and/or knowledge of the community in the geographic area where the facility is or will be and/or areas where the anticipated student population will come from.

Strengths:

Three members of DreamHouse’s board have taught in that community. The group has also conducted a listening and partnership tour in the community the last three years to build support for the school.

Weaknesses:

None.

Criterion V.A.3

A description that identifies any organizations, agencies, or consultants that are essential partners to the

successful planning and establishing of the proposed school and/or implementation of the Academic Plan; explains the current and planned roles of such essential partners and any resources they have contributed or plan to contribute to the proposed school's development; and includes evidence of support, provided as Attachment AA (no page limit) (such as letters of intent or commitment, memoranda of understanding, and/or contracts), from such essential partners demonstrating these partners are committed to an ongoing role with the proposed school, if applicable.

Strengths:

DreamHouse has a diverse group of partners to support the planning and implementation of the academic plan but are not reliant on these partners for the success of the program.

Weaknesses:

None.

Criterion V.A.4

School Director.

Submit a position description for the school director. The applicant is required to provide the position description as Attachment CC (required attachment, no page limit). The position description shall include:

- a. **The job description, responsibilities, characteristics, and qualifications for the school director. The position description shall include rigorous criteria that is designed to recruit a school director with the experience and ability to design, launch, and lead a *high-quality charter school* that will effectively serve the anticipated student population and implement the Academic Plan; and**
- b. **A timeline that aligns with the proposed school's start-up plan and a comprehensive plan for a thorough recruiting and selection process where candidates will be screened using rigorous criteria.**

Submit Attachment BB to indicate that the school director is known or unknown at the time of the application.

- c. **If known, identify the school director, and provide as Attachment BB (required attachment, no page limit) the school director's resume including their academic and organizational leadership record.**

Strengths:

While the school director does not have experience administering a school, he has spent time visiting and studying successful curricular school models throughout the country. In addition, he is supported by a board member who currently works in the university system and has a PhD in Curriculum and Instruction.

Weaknesses:

The proposed director does not have a demonstrated track record of making student academic gains as a school leader because he lacks that experience.

Criterion V.A.5

Management Team.

Submit position descriptions for a business manager and registrar (or positions that will carry out the duties of a business manager and registrar). These positions will make up the proposed school's

leadership or management team beyond the school director. The applicant is required to provide the position descriptions as Attachment EE (required attachment, no page limit). The description must include:

- a. The job description, responsibilities, characteristics, and qualifications for the business manager and registrar. The position description shall include rigorous criteria that is designed to recruit individuals for these positions that have the experience and ability to perform the duties of each position.
- b. A timeline that aligns with the proposed school’s start-up plan and a comprehensive plan for a thorough recruiting and selection process where candidates will be screened using rigorous criteria.

Submit Attachment DD (required attachment, no page limit) to indicate that the business manager and registrar is known or unknown at the time of the application.

- c. **If known**, identify the individuals who will fill these positions and provide, as Attachment DD (required attachment, no page limit), the resumes for these individuals as evidence that the individuals demonstrate the qualifications, capacities, and commitment to carry out their designated roles to ensure the success of the proposed school.

Strengths:

DreamHouse’s timeline in the start-up plan aligned with the applicant’s plans and was very comprehensive.

Weaknesses:

None.

Section V.B: Organizational Plan Capacity

Meets the Standard Does Not Meet the Standard Falls Far Below the Standard

Criterion V.B.1

Evidence that the key members of the proposed school’s organization team have the collective qualifications and capacity (which may include, but is not limited to, documented and relevant credentials and experience reflected in the resumes of all members and an understanding, as demonstrated by the application responses, of challenges, issues, and requirements associated with running a *high-quality charter school*) to implement the school’s Organizational Plan successfully. The evidence must include a description that:

- a. Clearly identifies the key members of the applicant’s organization team that will play a substantial role in the successful implementation of the Organizational Plan, including current or proposed governing board members, school leadership or management, and any essential partners who will play an important ongoing role in the Organizational Plan; and
- b. Describes the organization team’s individual and collective qualifications for implementing the proposed school’s Organizational Plan successfully, including sufficient capacity in areas such as staffing, professional development, performance management, general operations, facilities acquisition, development (such as build-out or renovations), and management.

Strengths:

DreamHouse demonstrates organizational capacity as the group is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals composing the applicant board meet the considerations of specific skill sets noted in Section 302D-12, Hawaii Revised Statutes

(HRS), which are non-profit governance, financial management, academic management, human resources experience, and fundraising experience.

Weaknesses:

None.

Criterion V.B.2

A description that identifies any organizations, agencies, or consultants that are essential partners in planning, establishing, or implementing the proposed school’s Organizational Plan; explains the current and planned roles of such partners and any resources they have contributed or plan to contribute to the proposed school’s development of its Organizational Plan; and includes evidence of support, included in Attachment AA (as referenced in Criterion V.A.3), from such essential partners demonstrating these partners are committed to planning, establishing, and/or implementing the Organizational Plan.

Strengths:

DreamHouse provides a variety of organizations as essential partners including city and county agencies that have assisted the applicant in its facility search to the Ewa Beach Neighborhood board.

Weaknesses:

None.

Section V.C: Financial Management Capacity

<input type="checkbox"/> Meets the Standard	<input checked="" type="checkbox"/> Does Not Meet the Standard	<input type="checkbox"/> Falls Far Below the Standard
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Criterion V.C.1

Evidence that the key members of the proposed school’s financial team have the collective qualifications and capacity (which may include, but is not limited to, documented and relevant credentials and experience reflected in the resumes of all members and an understanding, as demonstrated by the application responses, of challenges, issues, and requirements associated with running a *high-quality charter school*) to implement the school’s Financial Plan successfully. The evidence must include a description that:

- a. Clearly identifies the key members of the applicant’s financial team that will play a substantial role in the successful implementation of the Financial Plan, including current or proposed governing board members, school leadership or management, and any essential partners who will play an important ongoing role in the proposed school’s Financial Plan; and
- b. Describes the financial team’s individual and collective qualifications for implementing the proposed school’s Financial Plan successfully, including sufficient capacity in areas such as financial management, fundraising and development, accounting, and internal controls.

Strengths:

None.

Weaknesses:

The applicant did not demonstrate financial management capacity by the application responses or the interview.

Criterion V.C.2

A description that identifies any organizations, agencies, or consultants that are essential partners in planning, establishing, or implementing the proposed school’s Financial Plan; explains the current and planned roles of such partners and any resources they have contributed or plan to contribute to the proposed school’s development of its Financial Plan; and includes evidence of support, included in Attachment AA (as referenced in Criterion V.A.3), from such essential partners demonstrating these partners are committed to planning,

establishing, and/or implementing the Financial Plan.

Strengths:

None.

Weaknesses:

The applicant identifies various national foundations and local financial institutions and foundations but does not explain or describe how these organizations support or intend to support the proposed charter school.

Exhibit B

DreamHouse Ewa Beach Response to Evaluation Team Recommendation Report

Response to Evaluation Team's Initial Recommendation Report (2016-17) DreamHouse Ewa Beach

June 1, 2017

Dear Commissioners, Mr. Thompson, and Members of the Evaluation Team,

First and foremost, thank you for dedicating countless hours of analysis and review to evaluate this application. We sincerely appreciate your time and commitment to reviewing over 500 pages of narrative, exhibits, and letters of support.

Our team spent the last year reviewing feedback from the 2015-16 Evaluation Team, listening to Commissioners, and in response, designing working groups to strengthen our application in the areas identified by the Evaluation Team as needing work. It is clear we needed this extra year to improve our application and build a stronger, more coherent plan for DreamHouse and the community of Ewa Beach.

For the 2016-2017 Application Cycle, we submitted a plan to open a school in Ewa Beach that is **responsive to and inclusive of** the feedback and suggestions from the last year's application process. To that end, we were extremely pleased to hear that the Evaluation Team found that DreamHouse **met the standard across the board** in the academic and organizational sections of this year's application. However, the Evaluation Team posed concerns around our financial plan, primarily around our team's ability to fundraise. The Evaluation Team consequently found that our financial plan did not meet the requisite standards. It is unclear, though, why and how two out of three financial sections of this year's application did not meet the standards when those sections were based on the **same information presented in last year's application**, which the Evaluation Team found had **met the standards**.

Given that the Evaluation Report states the Applicant team meets state requirements for "non-profit governance," "financial management," and "fundraising," we respectfully request clarification around the Evaluation Report's decision and comments on our team's capacity to raise sufficient funding to meet our initial operating expense goals. We also respectfully request clarification on several inconsistencies in the Evaluation Team's review, namely the Evaluation Team's contradicting conclusions of our team meeting the statutory requirements relating to board composition of qualified individuals with skill sets relating to financial management and fundraising experience (p. 13), and our team does "not demonstrate financial management capacity" (p. 35), as well as the financial oversight and performance management sections, particularly in light of the Evaluation Team's positive marks on these sections in last year's application.

We submit this letter to provide and gain clarity on any miscommunication or misunderstanding in our application or in the Evaluation Team's review. We hope to shed light on and respond to the questions presented herein. Thank you again for your time and this opportunity to provide a high-quality education option to the children and parents of Ewa Beach.

OVERVIEW

ACADEMIC

“The academic plan meets the standard for approval because it provides a comprehensive framework for rigorous, high-quality instructional design that is aligned to academic standards. The academic plan is also aligned to the proposed school’s mission and vision, and the Applicant has carefully selected curriculum, materials, and an instructional approach that will assist them in ensuring student success with rigorous expectations.” – Evaluation Team

→ DreamHouse Ewa Beach (“DreamHouse,” the “Applicant,” or “we”) appreciates the 2015-16 Evaluation Team’s questions and feedback that made this plan even stronger in this year’s application. The Applicant has no questions and seeks no clarification within this section. Thank you for pushing our thinking to make this section even tighter and stronger.

ORGANIZATIONAL

“The organizational plan meets the standard for approval because it is coherent overall and aligned with the school’s mission and vision, the Academic Plan, and the Financial Plan... **The Applicant board is made up of qualified individuals** who have expressed a commitment to the development and success of the proposed school. Individuals on the Applicant board **meet the considerations of specific skill sets noted in Section 302D-12, HRS.**” – Evaluation Team

→ This section has received full approval in last year’s and this year’s cycle. We look forward to working with the Commission to implement strong, transparent organizational and governance models.

FINANCIAL

“The proposal provided a comprehensive plan for the start-up period that covers all applicable areas and is in alignment with the academic and organizational plans... The evaluation team is concerned that if the Applicant is unable to raise the projected funds through grants and donations, the impact to the school could be severe and may prevent the Applicant from successfully executing its start-up plan... **The evaluation team recommends that if the Applicant is approved, pre-opening assurances be put in place that would require interim fundraising thresholds to be met to ensure that the Applicant would have enough funds to successfully open the school.** In addition, pre-opening assurances should require facilities to be secured by January 10, 2018 if the school is approved and intends to open in the fall of 2018, so that any potential delay in the opening of the school would not adversely affect any students, families or staff.” – Evaluation Team

The Applicant respectfully requests clarification around the following:

- (1) The specific shortfalls in the “Financial Oversight and Management” and “Financial Performance Management” section of this year’s application in relation and comparison to those same sections which were approved by the Evaluation Team in Applicant’s 2015-2016 application;*
- (2) Budget and fundraising numbers used in the evaluation report; and*
- (3) The associated non-profit’s supporting operations.*

CAPACITY

“The Applicant demonstrates organizational capacity as the group is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals composing the Applicant board meet the considerations of specific skill sets noted in Section 302D-12, HRS, which are **non-profit governance, financial management, academic management, human resources experience, and fundraising experience.”** – Evaluation Team

The Applicant respectfully requests clarification around the following:

- (1) On page 13 (Evidence of Capacity) of the Evaluation Report, the Evaluation Team acknowledges that the Applicant team is “made up of qualified individuals” who have “non-profit governance, financial management” and “fundraising” experience that “meets standard”; however, on page 35 (Financial Management Capacity), the Evaluation Team finds that the Applicant does not meet the standard in “Financial Management”.*



Given that the academic and organizational plans have each completely met standard, and given that the capacity of the team has been deemed to meet the statutory requirements, as mentioned in this report, the Applicant believes the overall deny decision came down to the financial section, of which two of the three criterion that didn’t pass this year, were met last year.

This leaves one final criterion in question: the budget. All numbers in the budget are correct, balanced, and flow through the financial workbook. There is no debt; there are no errors. The concern that was brought up multiple times within the evaluation report was around fundraising, which is a challenge facing all charter start-ups.

This plan uses fundraising alone – no debt or borrowing – to lift off the ground in the founding years, but quickly gets to sustainability with 200 students in year two. Our long-term financial strategy is one of viability and growth through reliance on per pupil funding; fundraising is strictly start-up financing. Lastly, many foundations have asked us to return after being chartered (as mentioned in attachment Z), which has motivated us to rely solely on individual fundraising prior to the Commission’s decision (planning year goal of \$100,000 in individual donations, as highlighted in financial workbook and application narrative).

Given the overcrowding in Ewa Beach, the current demand for a new public option, and the positive feedback and interest in our model within the community, we believe enrollment will drive growth and lead to a healthy, sustainable, viable charter school. Our sound budget, fundraising pipeline, local donor relationships, experienced team, and overall plan give us the pathway to operating this educational model in a healthy, viable manner.

FINANCIAL PLAN

IV.A. Financial Oversight & Management

Section met standard in 2015-16.

The “Financial Oversight and Management” section of DreamHouse’s 2016-2017 application was built directly upon the strong, positive feedback provided by last year’s Evaluation Team who approved this same section in our 2015-2016 application. The Applicant used the same systems, policies, and processes to ensure strong internal controls, and compliance with all financial reporting requirements, which met the standard in the 2015-2016 application. The Applicant also added members to the founding team who have years of state accounting, internal audit, and bank branch management experience.

Below are tables comparing the Evaluation Team’s critique on the components of the Financial Oversight and Management Plan from Applicant’s 2015-16 and 2016-17 applications.

Criterion IV.A.1 – a clear description of the systems, policies, and processes...	
Evaluation Team (2015-16)	Evaluation Team (2016-17)
<ul style="list-style-type: none"> • “Applicant was thorough in describing the separation of duties of the fiscal responsibilities. Applicant has also identified a potential CPA for preparation of the annual independent audit.” → <i>Met Standard</i> 	<ul style="list-style-type: none"> • “DreamHouse identified three strategy components for financial management and oversight but fails to explain the strategy implementation. The response lacks specifics of any internal control processes or procedures.” → <i>In addition to the systems, policies, processes, and internal controls described on pages 85-86 of the application, please see “Attachment Z – Evidence of commitment for funds” for additional strategy implementation including timeline, funding sources, and progress. The RFP question in this section does not ask for “strategy implementation” – the Applicant remains unclear as to where “explain the strategy implementation” exists in the RFP question for this section.</i>

Criterion IV.A.2 – a clear description of the roles and responsibilities...

Evaluation Team (2015-16)	Evaluation Team (2016-17)
<ul style="list-style-type: none"> • “The Applicant has explained a 4 part process in describing the separation of duties of fiscal responsibilities on page 88 and 89.” → <i>Met Standard</i> 	<ul style="list-style-type: none"> • “DreamHouse partially identified those who will be involved in financial management and oversight, but fails to identify the external vendor(s) to be contracted and specify the services provided by such to clearly describe how management and oversight will be ensured.” → <i>DreamHouse has maintained through both application cycles, capacity interviews, request for clarifications, and all communication that financial management and oversight is of critical importance to operating the school; in no part of the application, or in any part of DreamHouse’s plan, does the team mention or recommend contracting external vendors to provide financial management and oversight services. Page 86 of the application reads, “the following individuals/groups will be responsible for financial oversight and management: School Director, Operations Lead, School Board Chair, School Board, School Board Finance Committee, Nonprofit Board Chair, Nonprofit Board.”</i>

Criterion IV.A.3 – sound criteria for selecting vendors and contractors...

Evaluation Team (2015-16)	Evaluation Team (2016-17)
<ul style="list-style-type: none"> • “Applicant provided an adequate description of the policies and procedures to choosing Vendors and Contractors.” → <i>Met Standard</i> 	<ul style="list-style-type: none"> • “DreamHouse did not provide an adequate description of sound criteria and procedures for selecting vendors or contractors for any administrative services.” → <i>DreamHouse shares the criteria for selecting vendors on page 87; it is unclear to how the application met these criterion last year, but did not meet the standard this year although the information provided in this year’s application was the same as the information provided in last year’s application.</i>

The Applicant fully understands that each application cycle is different from year to year. With respect to this particular section, the Applicant submitted in this year’s application cycle the

same material and information that was included in that section of the last year’s application which had *been approved* by the 2015-16 Evaluation Team.

Additionally, this year’s section specifically incorporated and built upon the feedback and input from last year’s Evaluation Team and Commission. **The Applicant remains unclear how this section – which was approved last year, and commended with positive remarks – now does not meet the same standard.**

IV.B. Financial Plan

The Evaluation Report states, “The proposal provided a comprehensive plan for the start-up period that covers all applicable areas and is in alignment with the academic and organizational plans. However, the start-up plan and start-up period activities are contingent on the applicant group securing \$400,000 in grants and donations during this period, and \$600,000 in grants and donations from year one to year three, totaling \$1 million.”

- **The financial workbook lists start-up and Year One fundraising needs as \$490,680, not \$1 million.** While our goal is to fundraise \$1 million over the first 4 years of operation, our need is less than ½ that, reaching sustainability in Year Two with students.

<i>As presented in financial workbook</i>	Year Zero (17-18)	Year One (18-19)	Year Two (19-20)	Year Three (20-21)
Projected Budget	313,600	868,200	1,340,300	1,822,278
Non-Fundraising Sources (Per pupil, etc.)	-	691,120	1,382,239	2,073,358
Gap needing to be closed by fundraising	313,600	177,080	Budget Viable	Budget Viable

- On page 90 of the application, the Applicant states that salaries, stipends, and supply and material purchases would be reduced if fundraising goals were not met. For example, in the capacity interview, the Applicant team specifically highlighted that expenses related to (1) the founding school director a full salary in Year Zero (\$80,000), (2) one-to-one laptops before school launch (\$20,000), and (3) brand new curriculum materials (\$25,000), were *ideal and lofty*, but *were in no way critical* to the successful operation of the school in Year Zero (i.e. did not materially impact the academic or organizational plans). These expenses would be incurred *only if* the Applicant fundraised to meet them; removing these expenses from the Year Zero budget *does not* inhibit our start-up plan or school launch. This point has been highlighted multiple times in the (1) application, (2) start-up plan attachment, and (3) capacity interview. *(Removing these non-essential costs, the Applicant team had already raised 1/3 of the necessary launch capital by the time of the application and capacity interview.)*

- Our model is driven by enrollment and growth. Fundraising to meet projected costs in our planning and founding years are contained to Year Zero (17-18) and One (18-19). Enrollment and a strong demand for this model in the overcrowded and growing Ewa Beach community drive the long-term sustainability and financial success of this school.
- Year One (18-19) per pupil allotment (PPA) submitted within the financial workbook (as instructed) was \$6,500 per student, which came to \$650,000 for Year One (18-19); last school year per pupil for charters was \$7,089, which would mean an additional \$50,000+ during Year One.

The Evaluation Report states that Applicant’s facilities options were “not reflected in the Financial Plan and each may materially impact the budget.”

- **The Applicant included \$100,000 of facilities improvements, renovations, and set-up is included in the Year Zero financial plan.** Any remaining funds would be allocated to rent, furniture, and equipment.
- In the capacity interview, the Applicant stated that they would continue their existing efforts to work with state, city, local, and private constituencies to determine facilities options (which the Evaluation Team has approved in the start-up and organizational plan of the Application). The Applicant will continue to update the Commission on its progress on the school’s facilities development plan, and included letters of support from Gentry Builders, Hawai‘i Modular, Turner Facilities Fund, and other facilities partners in the application and public testimony.

The Evaluation Report states: “The Evaluation Team recommends that if the Applicant is approved, pre-opening assurances be put in place that would require interim fundraising thresholds to be met to ensure that the Applicant would have enough funds to successfully open the school.”

- **The Applicant welcomes the opportunity to work under pre-opening assurances and accountability covenants and humbly asks the Commission to choose to approve this charter application with the pre-opening assurances over a decision to deny this entire plan altogether.**

The Evaluation Report states, “the contingency plan includes utilizing a revolving credit line which could present a potential liability to the state”.

- The Applicant states on page 85 that this is a “revolving line of credit with *our non-profit* in order to have short-term cash to draw upon in situations where cash flows do not align.” Under *no circumstances* would a revolving line of credit be with the school itself.
- The revolving line of credit strategy is modeled off the associated non-profits of many local charter schools, non-profits that often hold the lease for facilities, short-term revolving line of credit, etc. Based on the Applicant’s thorough research, the same model is proposed, with *no liability or obligation* to or from the school.

IV.C. Financial Performance Management

Section met standard in 2015-16.

The “Financial Oversight & Management” section of DreamHouse’s 2016-2017 application was built directly upon the strong, positive feedback provided by last year’s Evaluation Team who approved this same section in our 2015-2016 application. The Applicant used the same systems, policies, and processes to ensure strong internal controls, and compliance with all financial reporting requirements, which met the standard in the 2015-2016 application. The Applicant also added members to the founding team who have years of state accounting, internal audit, and bank branch management experience; these members joined the existing team which has investment banking, credit analysis, local banking, and fundraising experience.

Criterion IV.C.1 – comprehensive plan for management financial data... Criterion IV.C.2 – corrective actions if school encounters financial difficulties	
Evaluation Team (2015-16)	Evaluation Team (2016-17)
<p>Please note that DreamHouse “met the standard” for performance management across academic, organizational, and financial management in 2015-16:</p> <ul style="list-style-type: none"> • “The Applicant provides six stages of corrective action which can apply to academic, organizational, and financial issues. The corrective actions start by establishing clear understanding and communication, allow for improvement and acknowledgement of improvement efforts, and finally allows for additional contingencies and possible personnel separation.” → <i>Met Standard</i> 	<ul style="list-style-type: none"> • “DreamHouse did not provide a complete plan for evaluating and monitoring financial performance. For example, there is no discussion on how the data will be captured and analyzed. DreamHouse identifies the financial performance indicators in the Commission’s financial performance framework but there is no mention on how the analysis will be performed and by whom.” → <i>Pages 92 & 93 of the application identifies and explains in detail the roles, actions, and reasoning for the school’s financial governance strategy.</i> • “DreamHouse did not provide a clear description of thoughtful, appropriate corrective actions related to the financial performance standards set in the Financial Performance Framework.” → <i>Pages 93 & 94 of the application list in this section the same corrective actions and performance standards that were included in the same section of Applicant’s 2015-2016 application, which met the standard in this section.</i>

The Applicant fully understands that each application cycle is different from year to year. With respect to this particular section, the Applicant submitted in this year’s application cycle the *same material and information* that was included in that section of the last year’s application which had *been approved* by the 2015-16 Evaluation Team. Additionally, this year’s section incorporated and built upon the feedback and input from last year’s Evaluation Team and Commission. **The Applicant remains unclear how this section – which was approved last year, and blessed with positive remarks – now does not meet the standard.**

V. CAPACITY

IV.A. Financial Management Capacity

The financial capacity of our founding team and school board is an incredibly important area of focus for DreamHouse. We aim to build a viable financial model to support the operation of the school and implementation of our academic plan.

We shared at our capacity interview that we were actively recruiting and building our founding leadership team, school, and non-profit board with individuals with deep experience in banking, auditing, and financial management (which we have). In addition, we ensured that our applicant team had the requisite skills as noted in Section 302D-12, HRS. **The Evaluation Report states that the DreamHouse team has the required skills and capacity to found, operate, and govern this school (page 13).**

The Applicant remains unclear on conflicting information in different parts of the Evaluation Report, as highlighted below.

Within this year’s 2016-17 Evaluation Report:	
<p>Page 13:</p> <p>“The group is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals composing the Applicant board meet the considerations of specific skill sets noted in Section 302D-12, HRS, which are non-profit governance, financial management, academic management, human resources experience, and fundraising experience.”</p>	<p>Page 35:</p> <p>“The Applicant did not demonstrate financial management capacity.”</p>

Page 36: “The Applicant identifies various national foundations and local financial institutions and foundations **but does not explain or describe how these organizations support or intend to support the proposed charter school.**”

- The application narrative states, “local foundations will help fund the start-up phase of our middle and high school operations as part of a syndicate of philanthropic funders,” (page 100).
- The Applicant team included a year-by-year fundraising overview and analysis with highlights (as of Jan. 2017), sources, challenges and momentum, foundations, and the Year Zero budget being contingent on fundraising (Attachment Z - Evidence of commitment for funds).

Attachment Z highlights below – please see attachment for full details

YEAR 0 (June 30, 2017 – July 1, 2018)

This is our start-up year that will rely heavily on our ability to fundraise in and outside of Hawai'i to build funds to start the school. The following is a snapshot of our current thinking:

Philanthropic Source	Target Amount	Highlights
Local Foundations	\$100,000	<i>\$50,000 already committed 70% local funding Multiple partnership conversations Diverse funding pool and approach</i>
Local Individuals	\$75,000	
Local Unique	\$100,000	
Mainland Foundation	\$50,000	
Mainland Individual	\$25,000	
Mainland Unique	\$50,000	
\$400,000		

Challenges	Momentum
<ul style="list-style-type: none"> • Charter sector has what some funders have called “noise” right now (unsure of where charters fit in strategic vision, BOE investigation, lingering concerns from Commission-closed charter). • “Get the charter first and then we can talk funding” ... “Get the funding or an MOU first and then apply for a charter” ... caught in between showing funds to apply and foundation boards not wanting to earmark money to a project that has yet to be approved. 	<ul style="list-style-type: none"> • \$50,000 individual commitment for start-up (as of Jan. 2017). • Team / personal relationships with local funders. • Multiple partnership conversations and groundwork already laid. • Relationships and access to mainland funding vehicles. • DreamHouse non-profit has built out initial donor base. • Large grants (US DOE, charter start-up) are also on our funding radar.

DreamHouse Ewa Beach Attachment Z - 1

Initial Funding Landscape

Initial Funding Landscape		
Foundations	Individual	Unique
LOCAL	LOCAL	LOCAL
Hawai'i Community Foundation*	Ritchie & Sunny Mudd* (Committed)	Partners in Development*
Public School Foundation of Hawai'i*		Kamehameha Schools
Bank of Hawai'i Foundation*	Founding Team personal networks* (local and mainland)	Office of Hawaiian Affairs
Castle Foundation*		Aloha United Way*
Campbell Foundation*		Native Hawaiian Education Council
The Learning Coalition		Hawai'i State Grants in Aid
American Savings Bank Foundation*		MAINLAND
FHB Foundation		Charter School Growth Fund
CPB Foundation		Turner-Agassi*
McInerney Foundation		Harvard Alumni Start-Up Funding*
GN Wilcox Foundation		TFA Social Innovation Funding*
Strong Foundation		LEE Alumni Start-Up Funding*
Atherton Foundation		U.S. Dept. of Ag.
Cades Schutte Foundation		U.S. DOE Start-Up Grant
FICOH Foundation		
MAINLAND		
The Case Foundation		
The Kellom Foundation		

YEAR 1 (June 30, 2018 – July 1, 2019)

Philanthropic Source	Target Amount	Highlights
Local Foundations	\$100,000	<i>Per pupil funding begins Renewal requests backed by data Fundraising need is lower</i>
Local Individuals	\$75,000	
Local Unique	\$100,000	
Mainland Foundation	-	
Mainland Individual	\$25,000	
Mainland Unique	-	
\$300,000		

DreamHouse Ewa Beach Attachment Z - 2

Challenges	Momentum
<ul style="list-style-type: none"> • Two-year election cycle (even years) compresses philanthropic activity • “One and done” funders may need additional convincing and rationale this is program/growth funding, NOT operations. 	<ul style="list-style-type: none"> • \$650,000+ per pupil funding hits books. • Year 1 data, stories of success, students all reinforce funding ask. • Full staff and team to help build philanthropic activity.

YEAR 2 (June 30, 2019 – July 1, 2020)

Philanthropic Source	Target Amount	Highlights
Local Foundations	\$100,000	<i>Per pupil funding continues Title I funding in effect One year of results and growth Last year of foundation need</i>
Local Individuals	\$75,000	
Local Unique	-	
Mainland Foundation	-	
Mainland Individual	\$25,000	
Mainland Unique	-	
\$200,000		

Challenges	Momentum
<ul style="list-style-type: none"> • Philanthropic fatigue – “we gave you money to get off the ground... now you want money for a third year in a row?” • Local foundations tapped by many and there will be new projects online. • Charter sector “noise” and trajectory is unpredictable. • Founding year, year 1, year 2 in the books... still relying on addition funds in our third year of operation is not necessarily a positive headline. 	<ul style="list-style-type: none"> • \$1.3MM+ per pupil funding • Building retained earnings • Full year of data and results to back foundation requests • FINAL YEAR of foundation asks in order to reach sustainability <ul style="list-style-type: none"> o Key point: this is the exit strategy for all required philanthropic activity to get to a sustainable 6,7,8 grade.

YEAR 3 (June 30, 2020 – July 1, 2021)

Philanthropic Source	Target Amount	Highlights

Page 14: “The Applicant stated that **they would be outsourcing fiscal management to an outside vendor yet to be identified**; therefore, the capacity of a fiscal service provider is unable to be determined.”

- The Applicant **has not** considered outsourcing fiscal management to any vendors. While external audits and certain administrative business functions (i.e. payroll) may be outsourced via the vendor criteria and procedures on page 87, DreamHouse **has not and will not outsource** the fiscal management of the school to any third-parties. **Page 86 of the application reads, “the following individuals/groups will be responsible for financial oversight and management: School Director, Operations Lead, School Board Chair, School Board, School Board Finance Committee, Nonprofit Board Chair, Nonprofit Board.”**

DREAMHOUSE EWA BEACH DASHBOARD

Below is an overview of the 2016-17 Evaluation Report as compared to the 2017-18 Report.

Highlights:

- The 2015-16 feedback in the Academic Plan helped improve our educational model and the system we will use to support and empower children with special needs.
- The Organizational Plan remains strong and the team has made considerable progress with regard to facilities, board members recruitment and development, non-profit development, community engagement, and start-up preparations.
- Two areas of the 2015-16 Financial Plan that met standard were re-submitted in 2016-17; those same two areas then did not meet standard during the 2016-17 review.
- The Evaluation Reports states the DreamHouse team has “financial capacity” and meets state requirements as listed in Section 302D-12, HRS; the Financial Capacity section does not reflect this information.

ACADEMIC PLAN			
2016-17 SECTION	2015-16 Review	2016-17 Review	2016-17 Comments
II.A. Academic Plan Overview, Academic Philosophy, and Student Population	N/A	N/A	Evaluators do not review this section.
II.B. Curriculum & Instructional Design	<i>Does Not Meet Standard</i>	✓ Meets Standard	Courses described in the academic plan have clear outcomes that are tied to standards AND the Applicant’s mission/vision.

II.C. Special Populations & At-Risk Students	<i>Does Not Meet Standard</i>	✓ Meets Standard	DreamHouse demonstrated thorough understanding of RTI and the need to support all students, while at the same time identifying supports for individual sub-groups.
II.D. Academic Performance Management	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse articulated a consistent understanding of board's role and need for staff to be trained on data analysis and use to drive instruction.
II.E. School Culture	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse's plan supports the whole child; school will need to further develop middle school partners and resources.
II.F. Professional Culture & Staffing	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse's plan articulates a collaborative and reflective culture.
II.G. School Calendar & Schedule	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse's daily schedule for students is clearly tied to mission/vision and allows voice and choice from students.

ORGANIZATIONAL PLAN			
2016-17 SECTION	2015-16 Review	2016-17 Review	2016-17 Comments
III.A. Governance	✓ <i>Meets Standard</i>	✓ Meets Standard	<p>The Applicant clearly explained how the school and the governing board would interact with various supports, both internal and external, such as the school Community Council, strategic advisors, and the board of the non-profit organization created to support the school, DreamHouse Inc.</p> <p>DreamHouse's board is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals composing DreamHouse's board meet the considerations of specific skill sets noted in Section 302D-12, HRS.</p>
III.B. Organizational Performance Management	✓ <i>Meets Standard</i>	✓ Meets Standard	This system incorporates the school's compliance requirements with an evaluation system composed of the governing board and the school community.
III.C. Ongoing Operations	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse will need to add in the requirement for criminal history background checks. The Applicant has also been engaging in community partnerships with local DOE schools.

III.D. Student Recruitment, Admission, and Enrollment	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse has already engaged multiple community organizations within the Ewa Beach area to assist in its recruitment and outreach. Enrollment preferences for returning students and siblings are allowed in the school's admission plan, as allowed for by statute.
III.E. Geographic Location & Facilities	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse has provided a comprehensive, reasonable, and sound facility plan which includes short-term, mid-term, and long-term options; evidence that the Applicant has done and continues to do extensive work on securing a facility. This will be a tremendous undertaking that the Applicant says will involve the affiliated non-profit, the school, and other partners.
III.F Start-Up Period	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse has provided a comprehensive plan for the start-up period that covers all applicable areas and is in alignment with the Academic, Organizational, and Financial Plans. DreamHouse has done extensive work on its facility plan and provided multiple options that are available to the school.

FINANCIAL PLAN			
2016-17 SECTION	2015-16 Review	2016-17 Review	2016-17 Comments
IV.A. Financial Oversight & Management	✓ <i>Meets Standard</i>	Does Not Meet Standard	Please see pages 4-5 for requested clarification; this section met the standard in 2015-16.
IV.B. Operating Budget	<i>Does Not Meet Standard</i>	Does Not Meet Standard	Please see pages 6-7 for requested clarification; this section met the standard in 2015-16.
IV.C. Financial Performance Management*	✓ <i>Meets Standard</i>	Does Not Meet Standard	Please see pages 7-8 for requested clarification; this section met the standard in 2015-16.

APPLICANT CAPACITY			
2016-17 SECTION	2015-16 Review	2016-17 Review	2016-17 Comments
V.A. Academic Plan Capacity	<i>Does Not Meet Standard</i>	✓ Meets Standard	DreamHouse's board has four members with educational experience and qualifications that will guide the implementation of the academic plan. The group has also conducted a listening and partnership tour in the community the last three years to build support for the school. DreamHouse has a diverse group of partners to support the planning and implementation of the academic plan. DreamHouse's timeline in the start-up plan aligned with the Applicant's plans and was very comprehensive.
V.B. Organizational Plan Capacity	✓ <i>Meets Standard</i>	✓ Meets Standard	DreamHouse demonstrates organizational capacity as the group is made up of qualified individuals who have expressed a commitment to the development and success of the proposed school. Individuals composing the Applicant board meet the considerations of specific skill sets noted in Section 302D-12, Hawaii Revised Statutes (HRS), which are non-profit governance, financial management, academic management, human resources experience, and fundraising experience.
V.C. Financial Management Capacity	<i>Does Not Meet Standard</i>	Does Not Meet Standard	The Applicant identifies various national foundations and local financial institutions and foundations but does not explain or describe how these organizations support or intend to support the proposed charter school. Please see pages 7-8 for requested clarification.

**Please note – Financial Performance Management was part of the Organizational Plan in the 2015-16 RFP.*

Conclusion on next page.

CONCLUSION

Thank you for taking the time to read this response. The 4 and ½ year journey for the DreamHouse team has been humbling.

During last year's final Commission meetings, we were asked to spend the year making improvements, learning from feedback, and growing as a team. To the very best of our ability, we believe we have done so. That was evident in the report's feedback on our academic plan, the clarity and correctness of our budget, and the strengthening and growth of our team.

We are committed not just to the educational model that we have proposed, but also to building a transparent, viable financial model to grow DreamHouse in service of Ewa Beach families. That plan begins with just under \$500,000 of necessary fundraising over the next two years, and continues with enrollment growth we are projected to achieve, given the fact that the community and student population in Ewa Beach continues to experience rapid growth.

Lastly, we look forward to continued partnering and learning with and from the Charter Commission. We look at this as a positive, productive relationship through which we can design and implement a school that is academically, organizationally, and financially viable, while at the same time meeting all performance metrics required by the State of Hawai'i.

We believe we have made the necessary progress, built the capable team, and have the realistic plan to ensure that this school is successful. We hope to have the opportunity to serve the children and families of Ewa Beach.

Thank you.

The DreamHouse Ewa Beach Founding Team

Exhibit C

Evaluation Team Rebuttal to Applicant Response



State Public Charter School Commission 2016-2017 Evaluation Team Rebuttal to the Applicant Response

Charter Application for
DreamHouse Ewa Beach

Evaluation Team

Team Lead: Beth Bulgeron

Evaluators: Amy Cheung

Derek Scott Hall

Cindy Henry

Sylvia Silva

Danny Vasconcellos

The Evaluation Team would like to express its appreciation for the hard work and effort that the DreamHouse Ewa Beach applicant team has done throughout the charter application process, most recently in the applicant's response to the Evaluation Team's recommendation report. As such, the Evaluation Team would like to provide a few comments on the applicant's response.

The recommendation of the Evaluation Team in the Final Application Recommendation Report ("Recommendation Report") was to deny approval of the applicant's proposed charter school as the applicant failed to meet standards in two of the four areas of the charter application- the Financial Plan and Evidence of Capacity.

This rebuttal to the applicant team's response to the evaluation report includes explanation or elaboration on the themes and key points that the applicant raised in the response grouped into the following categories:

1. Discrepancies in results from the 2015-2016 review to the 2016-2017 review
2. Perceived contradictions in the capacity analysis and results
3. Analysis of Section IV.A Financial Oversight and Management
4. Analysis of Section IV.A.2 A clear description of roles and responsibilities.
5. Analysis of Section IV.A.3 Sound criteria for selecting vendors and contractors
6. Analysis of Section IV.C.1 and 2 comprehensive plan for management of financial data and corrective actions if a school encounters financial difficulties.

1. Discrepancies in results from the 2015-2016 review to the 2016-2017 review

The response cites to several sections within the application where the applicant team met the standard in the 2015-2016 review, and submitted the same response in the 2016-2017 cycle and the response failed to meet the standard. Each year, depending on the number of applicants, one or two review teams may be formed to review applications. Each team reviews the applications without reference to previously submitted applications. When possible, the team members with expertise in the areas of academics, organization and finance change from the previous year when there is a repeat applicant. This allows for a fresh review, free from bias or elevated expectations based on previous attempts. Even when the criteria is exactly the same (and many changes were made to the criteria from the 15-16 to the 16-17 cycle), a different review team's analysis of the plan may result in different outcomes in various sections.

2. Perceived contradictions in the capacity analysis and results

When evaluating the capacity of an applicant team, the criteria includes the examination of evidence "which may include, but it not limited to, documented and relevant credentials and experience reflected in the resumes of all members and an understanding, as demonstrated by the application responses, of

challenges, issues and requirements associated with running a high-quality charter school.” While the evaluation team responded positively to the applicant’s credentials and experience, the application responses in the financial section, which did not meet the standard, was evidence that the applicant lacks capacity in this area.

3. Analysis of Section IV.A Financial Oversight and Management

The evaluation team substituted the term “implementation” for the criterion language “establish” in the analysis. The applicant identified three strategy components for financial management or oversight but fails to explain how those strategies will be implemented or “established” as a practice at the proposed school.

4. Analysis of Section IV.A.2 A clear description of roles and responsibilities

The applicant team’s response states that “in no part of the application, or in any part of DreamHouse’s plan, does the team mention or recommend contracting external vendors to provide financial management and oversight services.” However, line 9 of the financial plan budgets for accounting support and fails to describe the scope of the services anywhere in the plan, therefore the role and responsibilities of the budgeted line item for accounting support was unclear.

5. Analysis of Section IV.A.3 Sound criteria for selecting vendors and contractors

This year’s review team found that the plan did not provide an adequate description of sound criteria and procedures for the selection of vendors or contractors because the applicant provided a step by step process but failed to establish decision making roles. Specifically, in step two, where the operations lead and director are to perform due diligence, there is no provision for when the director or operations lead originally identified the vendor.

6. Analysis of Section IV.C.1 and 2 Comprehensive plan for management of financial data and corrective actions if a school encounters financial difficulties.

The criteria in IV.C.1 requires a comprehensive and effective plan for evaluating and monitoring financial performance beyond the identification and explanation of roles, actions, and reasoning for the governance strategy. A comprehensive plan would have included details on how data will be captured, describe tools that will be used to capture and analyze financial information, and describe how the analysis will be performed and by whom.

Section IV.C.2 requires a clear description of thoughtful, appropriate corrective actions the school will take if it falls short of financial performance standards but the response lacked specificity and did not describe or define what would constitute a “lapse of performance,” or when such lapses would trigger the corrective action plans.

Exhibit D

DOE Comments on DreamHouse Ewa Beach



Lauren Endo <lauren.endo@spcsc.hawaii.gov>

Re: Application for Proposed Charter School DreamHouse Ewa Beach - Ref #28639EA

1 message

Wanelle_Kaneshiro/OSIP/HIDOE@notes.k12.hi.us

Fri, Jun 16, 2017

<Wanelle_Kaneshiro/OSIP/HIDOE@notes.k12.hi.us>

at 2:34 PM

To: lauren.endo@spcsc.hawaii.gov

Cc: Kendra_Oishi/OSIP/HIDOE@notes.k12.hi.us,

Tammi_Chun/OSIP/HIDOE@notes.k12.hi.us

Good afternoon, Lauren --

Thank you for soliciting input from HIDOE on the application for the proposed DreamHouse Charter School. We have reached out to the Complex Area Superintendents in the district in which the proposed DreamHouse Charter School would be located and the following is the only comment we are submitting:

DreamHouse Charter School proposes to offer nothing unique. With the exception of small size, much of what the applicant is proposing are currently addressed in the schools in the district.

Please let me know if you need this in a different format. Thank you!

-- Wanelle

Wanelle Kaneshiro-Erdmann

Policy, Innovation, Planning, and Evaluation Branch

Office of Strategy, Innovation, and Performance

Hawai'i State Department of Education

Phone: (808) 271-2207

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