DAVID Y. IGE
GOVERNOR

CATHERINE PAYNE
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(ʻAHA KULA HOʻĀMANA)
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

RECOMMENDATION SUBMITTAL

DATE: July 23, 2015

TO: Mitch D'Olier, Chairperson Applications Committee

FROM: Tom Hutton, Executive Director

AGENDA ITEM: Action on Charter School Application for IMAG Academy

I. DESCRIPTION

Recommendation that the Committee recommend to the full Commission that it deny the 2014 charter school application of IMAG Academy.

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

Proposed School Name: IMAG Academy

Mission: "The IMAG Academy will be a school with high social and academic expectations. Community centered projects ensures our students experience how their knowledge and skills bring life to their surroundings, triggering their innate curiosity and creativity regardless of socioeconomic background or language challenges. A family environment of acceptance and support will uncover their strengths and potential, one student at a time. Each student will have an Individual – Achievement Goals and Learning (I-AGLs) plan, enabling all stakeholders to collect the evidence and celebrate their accomplishments and mastery, freeing their confidence and value within themselves to excel academically and within their community."

Vision: "The IMAG Academy will provide a positive view of the world as we give our students and staff the permission to dream, environment to thrive, confidence to succeed, skills to act and the expectation to create a collaborative and peace-filled society. Our students will be creators of innovative, mindful, and creative solutions to unpredictable situations as they transfer, adapt, and act upon their thinking, knowledge and skills obtained through The Academy's high expectations and rigorous academic standards. Our student's will have a deep understanding that everyone and everything is connected and that innovation, collaboration, and mindfulness are pillars to sustainable and successful communities. They will excel in their social and academic abilities and they will be well-prepared and confident to make important decisions and succeed throughout their life; college, career or business ownership."

Geographical Area: IMAG Academy proposes to be located in Waipahu in office space on Waipahu Street between the cross streets of Mokuola Street and Waipahu Depot Street. The applicant plans to use available space in the International City of Refuge and the Filipino Community Center.

Program Synopsis: IMAG Academy identifies its school model as specializing in project-based, V-BASE (Value Added Business, Arts, Science, and Engineering) education. IMAG Academy's main instructional framework elements are academic rigor, Real World Relevance, and a safe and nurturing family environment. The school's instructional strategies include mastery of Common Core State Standards, community-centered V-BASE projects, and the School Family framework.

Enrollment Summary

Grade Level	Number of Students											
	Year 1 2016		Year 2 2017		Year 3 2018		Year 4 2019		Year 5 2020		Capacity 2022	
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	60	--	60	--	60	--	60	--	60	--	60	--
1			60		60		60		60		60	
2					60		60		60		60	
3							60		60		60	
4									75		75	
5											75	
6											75	
7	75		75		75		75		75		75	
8	75		75		75		75		75		75	
9			75		75		75		75		75	
10					75		75		75		75	
11							75		75		75	
12									75		75	
Subtotals	210	0	345	0	480	0	615	0	765	0	75	0
Totals	210		345		480		615		765		915	

IV. BACKGROUND

At its January 15, 2015 general business meeting, the Commission decided to recommend to IMAG Academy to withdraw voluntarily from the 2014 application cycle. However, IMAG Academy elected

to proceed, and on March 6, 2015, IMAG Academy submitted a Final Application, which includes an Initial Proposal Amendment. The Evaluation Team assigned to the IMAG Academy application was comprised of Danny Vasconcellos, Beth Bulgeron, Jeff Poentis, Kirsten Rogers, Kenneth Surratt, and Dr. GG Weisenfeld. In conjunction with the application, the Evaluation Team interviewed applicant group members and reviewed the applicant's responses to the Request for Clarification. The applicant group members that attended the interview were Sheila Buyukacar and Keoni Inciong.

After evaluating the information presented in the application, capacity interview, and Request for Clarification response, the Evaluation Team published its Final Application Recommendation Report. The applicant exercised its option to write a response to the recommendation report, and the Evaluation Team wrote a rebuttal to that response. The Final Application Recommendation Report (**Exhibit A**), Applicant Response (**Exhibit B**), and Evaluation Team Rebuttal (**Exhibit C**) make up the Recommendation Packet.

In addition, the Commission held a public hearing on the application on June 18, 2015. Honolulu City Councilmember Brandon Elefante and four concerned individuals submitted written testimony in support of IMAG Academy, including a list of 87 names of supposed supporters. The proposed school director and one other individual provided oral testimony in support of IMAG Academy.

Further, staff solicited comments from the Department of Education ("DOE")—particularly the Pearl City-Waipahu Area Superintendent—on the application. However, the Commission did not receive any comments from the DOE on this application.

Final Application Recommendation Report.

The Evaluation Team recommends that the application for IMAG Academy be denied. The Final Application Recommendation Report states that the academic plan and organizational plan do not meet the standard of approval and the financial plan and evidence of capacity falls far below the standard for approval.

The report finds that the application does not present a comprehensive academic framework or an adequate plan to implement its conceptual instructional strategies. Other key concerns about the academic plan include:

- An inadequate explanation of how instructional strategies and concepts align with Common Core State Standards ("CCSS");
- A course scope and sequence that "fails to demonstrate alignment to standards or illustrate alignment from grade to grade" and lacks information about some proposed grades;
- A lack of demonstrated understanding of the time and resources required to implement the proposed academic plan; and
- A lack of demonstrated understanding of requirements pertaining to English Language Learners ("ELL") and the possibility of insufficient staff to meet the needs of this student population.

The report notes that the application wholly lacks a professional development program that would realistically support teachers. Other key concerns about the organizational plan include:

- A start-up plan that lacks important details and almost entirely relies on a sole individual; and
- An inadequate teacher recruitment plan.

The report notes that the budget is significantly unrealistic and uses nearly all of the per-pupil funding on staffing. Other key concerns about the financial plan include:

- An overreliance on unsecured grant funding for operational and facility costs and an inadequate explanation of how the applicant intends to write and secure grants; and
- An absence of a contingency plan that is not dependent on grant funding.

The report finds that the applicant failed to demonstrate capacity in all areas but most notably in the area of financial plan capacity, as the applicant failed to provide evidence of capacity to obtain the grant funding on which it relies or hire a grant writer with the necessary capacity. Further, the report expresses concern about applicant's capacity to implement the start-up plan, develop an adequate professional development program, and deliver rigorous instruction that is aligned with standards.

Applicant Response.

The Applicant Response attempts to clarify some key concerns brought forth in the Final Application Recommendation Report.

In regard to the academic plan concerns, the response:

- Identifies the areas of the application that explain the implementation of the instructional framework;
- Notes that the course scope and sequence excludes references to the CCSS because it is "already being aligned to CCSS and integrated grade to grade;"
- Acknowledges that the application does not include course scope and sequencing for grades 11 and 12 and provides that information;
- Identifies the professional development program included in the application; and
- Argues that "dedicated ELL teachers do not predicate success of ELL program services and are not a normal practice within most schools."

In regard to the organizational plan concerns, the response:

- Justifies the use of a single person for the implementation of the start-up plan;
- Notes that the applicant has "budgeted and acquired a funding commitment" for a grant writer;
- Justifies the use of a staffing plan that relies on grant funding;
- Identifies the activities and tasks of the start-up plan in the application;
- Identifies recruitment and hiring policies and processes in the application; and
- Acknowledges that the professional development plan lacks an induction component but argues that other information provided in the application details an adequate professional development program.

In regard to the financial plan concerns, the response:

- Identifies the budgeted expense for a grant writer in the application;
- Again justifies the reliance on grant funding;
- Contends that "evaluators missed important line item budget estimates," thus resulting in a misunderstanding of the financial plan;
- Identifies parts of the application that explain the contingency plan; and

- Argues that the percentage of per-pupil funds that will be spent on personnel costs falls into an "acceptable" range as the school grows to capacity.

In regard to the capacity concerns, the response:

- Suggests that the activities performed by the proposed school director over the past several months demonstrates capacity to successfully complete the start-up tasks; and
- Suggests that the applicant has adequately addressed the Evaluation Team's concerns in all areas, therefore demonstrating capacity.

Evaluation Team Rebuttal.

The Evaluation Team's rebuttal attempts to address points raised in the Applicant Response.

In regard to the applicant's response to the academic plan concerns, the rebuttal:

- Maintains that "the academic plan does not provide a comprehensive framework;" and
- Maintains that concerns remain about the applicant's ability to meet the needs of ELL students.

In regard to the applicant's response to the organizational plan concerns, the rebuttal:

- Disagrees with the applicant's assertion that one person can successfully complete the necessary start-up tasks to open a charter school;
- Maintains that the application does not provide a sound start-up plan;
- Notes that the professional development schedule provided in the applicant's response violates current collective bargaining agreements; and
- Maintains that the professional development plan is inadequate.

In regard to the applicant's response to the financial plan concerns, the rebuttal:

- Disagrees with the applicant's assertion that the personnel costs presented in its budget are acceptable;
- Maintains that the financial plan is not realistic;
- Notes that it is indisputable that "the financial plan cannot be implemented without significant grant funding" and this is a "fatal flaw;" and
- Clarifies that the issue is not that there is no contingency plan but rather that the contingency plan provided is unsound.

V. DECISION MAKING STATEMENT

Introduction.

Scope of Commissioner Review.

Applicants were advised at the beginning of the application process that the Final Application should be a complete and accurate depiction of their proposed plans. Applicants had the opportunity to amend their Initial Proposals and provide additional 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 Final Application, capacity interview, or responses to the Request for Clarification because such new information would not have been

holistically 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, Commissioners should not consider new information that was not part of the components of the application in their review and decision-making. New information is specifically flagged in the Evaluation Team Rebuttal and, where relevant, is noted in this submittal.

Staff Recommendation Focuses on Key Points.

While the Final Application Recommendation Report, Applicant Response, and Evaluation Team Rebuttal cover a variety of issues, staff 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 staff 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 staff reaches a conclusion for the Committee's and Commission'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.

Overall, the academic and organizational plans are not comprehensive.

There are numerous holes in the academic plan, including an inadequate explanation of the implementation of the described instructional concepts or their alignment to standards, a course scope and sequence that does not demonstrate alignment to standards or from grade to grade, and missing parts of the curriculum. During the Initial Proposal phase, the Commission recommended that IMAG Academy not proceed this application cycle due to the several inadequacies with its academic plan identified through a less in-depth review of its Initial Proposal. However, the applicant elected to proceed, and a more thorough evaluation of the academic plan confirms problems with the academic plan even though the applicant attempted to address issues through an Initial Proposal Amendment.

Similarly, the professional development plan presented in the organizational plan is underdeveloped. The applicant acknowledges that some components are missing, such as a process to implement an induction program.

Of even more concern is the start-up plan. Staff agrees with the Evaluation Team's assertion that successfully completing the start-up activities requires more than the efforts of a single person, and it is not clear how involved the applicant's committees and task forces will be. Staff has no confidence in the likelihood of success of this plan, especially considering that the start-up budget is dependent on a large sum of grant funds without sufficient evidence the applicant is capable of raising such funds or that the grantors listed would commit to providing the necessary funding.

The financial plan is unrealistic and lacks any real contingencies.

In its response, the applicant suggests that an acceptable personnel costs to per-pupil operating funds ratio ranges from 68-72%, according to an informal survey conducted by the applicant. However, in its first year alone IMAG Academy would need to expend 91% of its per-pupil funds on salaries, essentially validating the Evaluation Team's conclusion that its staffing costs are unrealistic.

Further, the budget contingency plan still heavily relies on grants, and as previously explained, the applicant does not demonstrate that the necessary grants will be obtained.

The applicant fails to demonstrate the capacity to open and run a successful school.

Related to the previous points, the overall inadequacies of the application speak to the lack of capacity of the applicant. To exacerbate this, there is a seeming lack of involvement from most governing board members and advisors listed in the application. Only two applicant group members, including the proposed school director, attended the capacity interview, and as previously mentioned, the proposed school director will be responsible for doing nearly all of the pre-opening work. Still, the applicant's response argues that because the proposed school director has "gone above and beyond in moving [the applicant] team forward during the last [ten] months," she has the capacity to complete the start-up activities. The underlying assumption that conducting application-related activities and community outreach is evidence of capacity to start a charter school highlights the applicant's lack of understanding and gross underestimation of the work that is required to successfully launch a high-quality charter school.

Conclusion.

Staff agrees with the Evaluation Team that the plan is "unrealistic and infeasible." The academic plan is not comprehensive, the start-up plan would likely not succeed, and the financial plan is unreasonable and lacks sound contingencies. Furthermore, the applicant does not appear at this point to have the capacity to open and run a successful charter school.

Staff recommends the denial of IMAG Academy's application.

VI. RECOMMENDATION

Motion to the Commission:

"Moved to recommend to the Commission to deny the 2014 charter school application for IMAG Academy."

Exhibit A

Final Application Recommendation Report for IMAG Academy

State Public Charter School Commission

2014 Final Application Recommendation Report

Charter Application for
IMAG Academy

Evaluation Team
Team Lead: Danny Vasconcellos
Evaluators: Beth Bulgeron
Jeff Poentis
Kirsten Rogers
Kenneth Surratt
GG Weisenfeld

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 2014 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.

Final Application Evaluation Process

The Commission examined feedback from its 2013 Application Cycle and researched the application processes from several states to develop a new, multiphase charter school application 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 Final Application phase of the application evaluation process are as follows:

Final Application Evaluation. The Evaluation Team conducted individual and group assessments of completed Final Applications (including Initial Proposals and Initial Proposal Amendments). 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 or virtual 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. The Commission's Operations Section produced informational reports on Charter Management Organizations and Educational Management Organizations associated with applicants for the Evaluation Team to consider.

Consensus Judgment. The evaluation teams 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 Final Application.

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

Evaluation
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

The rating given to each primary area is based on a holistic evaluation of the Final Application Evaluation Criteria and its impact on the overall plan.

Rating Characteristics

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.

Proposal Overview

Proposed School Name
IMAG Academy

Mission and Vision

Mission: "The IMAG Academy will be a school with high social and academic expectations. Community centered projects ensures our students experience how their knowledge and skills bring life to their surroundings, triggering their innate curiosity and creativity regardless of socioeconomic background or language challenges. A family environment of acceptance and support will uncover their strengths and potential, one student at a time. Each student will have an Individual –Achievement Goals and Learning (I-AGLs) plan, enabling all stakeholders to collect the evidence and celebrate their accomplishments and mastery, freeing their confidence and value within themselves to excel academically and within their community."

Vision: "The IMAG Academy will provide a positive view of the world as we give our students and staff the permission to dream, environment to thrive, confidence to succeed, skills to act and the expectation to create a collaborative and peace-filled society. Our students will be creators of innovative, mindful, and creative solutions to unpredictable situations as they transfer, adapt, and act upon their thinking, knowledge and skills obtained through The Academy's high expectations and rigorous academic standards. Our student's will have a deep understanding that everyone and everything is connected and that innovation, collaboration, and mindfulness are pillars to sustainable and successful communities. They will excel in their social and academic abilities and they will be well-prepared and confident to make important decisions and succeed throughout their life; college, career or business ownership."

Geographic Location
IMAG Academy proposes to be located in Waipahu in office space on Waipahu Street between the cross streets of Mokuola Street and Waipahu Depot Street. The applicant plans to use available space in the International City of Refuge and the Filipino Community Center.

Anticipated Student Population
IMAG Academy proposes to serve primarily students in Waipahu. The applicant states, "we should expect approximately 70% of our elementary, and 59% of our intermediate and high school students will qualify for free and reduced lunch, about 6% would require SPED services, and 27% elementary and 15% of intermediate and high school students will not consider English as their first language. In addition we believe the majority of the students will be Filipino (60+%) with a number of other culturally diverse and strong ethnic groups being represented, such as Native Hawaiian, Micronesian, and Samoan. The percentage of students having attended preschool will be approximately 30-40%."

Contribution to Public Education System
IMAG Academy proposes to offer educational choice based on "community centered V-BASE projects," which "[build] connection and value of our learned subjects to the applied issues of Business, Art, Science, and Engineering." The applicant also states IMAG Academy will "increase the complex capacity…in a much needed area in Waipahu" while providing a "much more personable and family like

atmosphere." Lastly, the applicant asserts the way it will incorporate community partners could "serve as a model for other schools."

Enrollment Summary

Grade Level	Number of Students											
	Year 1 2016		Year 2 2017		Year 3 2018		Year 4 2019		Year 5 2020		Capacity 2022	
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	60	--	60	--	60	--	60	--	60	--	60	--
1			60		60		60		60		60	
2					60		60		60		60	
3							60		60		60	
4									75		75	
5											75	
6											75	
7	75		75		75		75		75		75	
8	75		75		75		75		75		75	
9			75		75		75		75		75	
10					75		75		75		75	
11							75		75		75	
12									75		75	
Subtotals	210	0	345	0	480	0	615	0	765	0	75	0
Totals	210		345		480		615		765		915	

Executive Summary

IMAG Academy

Recommendation

Deny

Summary Analysis

The Evaluation Team recommends that the application for IMAG Academy be denied. The applicant did not meet the standards in any of the four areas, and the Financial Plan and Evidence of Capacity falls far below the standard.

The Financial Plan falls far below the standard because it is unrealistic and infeasible. The plan depends on grant funding to almost completely fund start-up activities in Year 0 and operational expenses in Year 1, due to staffing costs that require most of the state per-pupil funding. The Financial Plan also fails to provide a viable contingency plan should funding not be received or be less than anticipated. Instead, the applicant's proposal for a contingency plan is a reduction in grant revenues. These significant flaws demonstrate the applicant's lack of financial capacity.

The Organizational Plan does not meet the standard due to the heavy reliance on grant funds for start-up activities and a lack of evidence of the applicant's ability to raise the necessary grant funds and implement the start-up plan, which is completely dependent on a sole individual, the proposed school director. Further, the Organizational Plan wholly lacks a professional development program.

The Academic Plan does not meet the standard because it does not provide a comprehensive academic framework that is aligned to standards, and the plan does not explain how the instructional strategy concepts will be implemented. Further, the plan lacks a comprehensive course scope and sequence and is even missing information about courses and curriculum for some grade levels.

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	Financial Plan
Does Not Meet the Standard	**Fall Far Below the Standard**
Organizational Plan	Evidence of Capacity
Does Not Meet the Standard	**Fall Far Below the Standard**

Academic Plan

IMAG Academy

Rating

Does Not Meet the Standard

Plan Summary

IMAG Academy proposes a traditional face-to-face, "brick and mortar" school focused on a student's mastery and accomplishments in acquiring knowledge, capabilities, and skills prescribed by the Common Core State Standards in English language arts and mathematics. There are multiple elements to the academic framework. Those elements include Value-added Business, Art, Science, and Engineering ("V-BASE") community-centered projects; Individual Achievement Goals and Learning plans; evidence of achieved goals and learning; and a rigor/relevance framework.

The foundation of the IMAG Academy learning environment, teaching community, and school organization is a safe and nurturing family culture. Students' social-emotional and communication development is modeled through social expectations and authentic interactions between all members of the school family.

Analysis

The Academic Plan **does not meet the standard** for approval because it has substantial gaps, lacks detail, and requires additional information in the area of curriculum and instructional design. The plan does not reflect a thorough understanding of key issues and fails to present a clear, realistic picture of how the school expects to operate.

<u>The Academic Plan does not provide a comprehensive framework for rigorous, high-quality instructional design that is aligned to academic standards.</u> The Academic Plan identifies three concepts as its key instructional strategies: a safe and nurturing family environment, which will be promoted by "School Family," a framework focused on social-emotional and communication development; academic rigor, which will be demonstrated by student mastery of Common Core State Standards ("CCSS"); and real-world relevance, which will be taught through community-centered V-BASE projects.

The applicant states that all three concepts are intended to align with the school's mission and vision and meet students' needs, with a safe and nurturing culture that is guided by the School Family framework acting as the primary driver. While the application does describe these concepts and their theoretical components, it fails to explain how they will be realized and implemented at IMAG Academy. Furthermore, although mastery of CCSS is cited as a significant component of the instructional design, the application does not describe how the concept of academic rigor, nor any of the other concepts, are aligned to CCSS and will be used to deliver standards-based instruction.

<u>The Academic Plan does not provide a comprehensive course scope and sequence that aligns from grade to grade.</u> IMAG Academy's course scope and sequence clearly identifies the overarching outcomes for courses in kindergarten through grade 10 but fails to demonstrate alignment to standards or illustrate alignment from grade to grade. Particularly concerning is the fact that the application does not contain information about any courses or curriculum for grades 11 or 12.

The core curriculum that has been selected for grades 7 through 10 is sound and research-proven for the target population, but there are non-core courses, such as art, for which there is no selected or developed curriculum. As stipulated by the application instructions, if a curriculum has not been identified, then the application must include a curriculum development plan; however, no such plan is included, nor does the application include a realistic timeline for the creation or selection of the curriculum for these courses that is aligned with professional development calendars. The low number of proposed professional development days raises significant concerns about the applicant's understanding of the time and resources that will be required to implement the planning, curriculum development, and project coordination tasks outlined in the Academic Plan.

The Academic Plan does not demonstrate understanding of, and capacity to fulfill, state and federal obligations and requirements pertaining to students with special needs, including English Language Learners ("ELL") students. Due to a misunderstanding regarding funding provided by the Hawaii Department of Education ("DOE"), the applicant drastically changed the way that ELL students would be serviced by the school. Based on demographic data from the Waipahu Complex, the DOE complex in which IMAG Academy's proposed campus is located, the applicant anticipates that approximately 21% of the total student population will be ELL students. To accommodate an ELL population of this size, IMAG Academy budgeted for two dedicated ELL teachers in Year 1, with a plan to increase the number to 11 when the school reached full capacity. When developing the Academic Plan, the applicant was mistakenly under the impression that the DOE would provide the funding for the ELL teachers. When informed that this would not be the case, the applicant adjusted the staffing plan by eliminating the dedicated ELL teachers and focusing instead on hiring regular classroom teachers with ELL training.

Although IMAG Academy may be able to meet the needs its ELL students without having dedicated ELL teachers on staff, there is also the possibility that the school may not have the staff necessary to provide the appropriate level of service for this particular student population, which raises concerns about the Academic Plan.

Organizational Plan

IMAG Academy

Rating

Does Not Meet the Standard

Plan Summary

IMAG Academy proposes a governance structure made up of the governing board, the IMAG Foundation (a nonprofit organization the applicant intends to form to support the school), the school director, and an advisory board, made up of representatives from different stakeholder groups.

The Organizational Plan describes a start-up plan that identifies the proposed school director as the individual responsible for the completion of start-up activities. A major component of the start-up plan is the hiring of staff beginning in February 2016, approximately six months before the opening of the school.

Analysis

The Organizational Plan **does not meet the standard** for approval because it has substantial gaps, lacks detail, and requires additional information in multiple areas and does not reflect a thorough understanding of key issues. It does not provide enough accurate, specific information to show thorough preparation and fails to present a clear, realistic picture of how the school expects to operate.

The Organizational Plan does not provide a sound plan for the development of the school during its pre-opening phase. The entirety of the start-up plan is based on the efforts of one person, the proposed school director. The overwhelming majority of the tasks listed in the start-up plan (which include grant inquiry and writing, marketing and outreach to the community, hiring and training of teachers, and identifying and recruiting potential governing board and advisory board members) depend on the proposed school director. In the Request for Clarification, the applicant was asked to identify individuals that could complete start-up period activities should the director not be available for an extended period. The applicant identified two individuals but added that they would be limited to no more than ten to twelve hours a week. Despite being identified as the sole person responsible for implementing the start-up plan, the proposed school director has not provided evidence of capacity to successfully complete the start-up tasks, particularly the writing of grants. The proposed school director acknowledged that she would need to hire a grant writer during the start-up period, but the applicant has not accounted for the cost in the Financial Plan. Further and despite an understanding that grant funding is not guaranteed, the applicant has still developed a staffing plan that can only be successfully implemented with grant funding. This raises questions as to whether the start-up plan as a whole is realistic and sound as it is strictly contingent on the applicant's ability to secure the grant funding.

In addition, specific start-up roles for the team or individual are not identified. Student recruitment efforts are listed, but the plan for recruitment is sparse. The teacher recruitment plan also lacks important details and reflects a lack of understanding of key issues. There is a timeline for recruiting teachers but no substantive plan for how they will be recruited.

The Organizational Plan does not include appropriate goals and data-driven strategy for ongoing professional development, including the process for evaluating the efficacy of the professional

development, nor does the plan provide professional development opportunities and scheduling that effectively support the Academic Plan and are likely to maximize success in improving student achievement, including an adequate induction program. The Organizational Plan wholly lacks a professional development program guided by a clear and specific vision. The application does state that teachers will be evaluated using the DOE's Educator Effectiveness System and attaches the DOE's description of that system. However, the application completely fails to identify and describe any appropriate goals or data-driven strategy for professional development. The applicant notes that professional development may be required based on a variety of triggers but does not describe how those deficiencies will be addressed. Further, the outline of teacher training prior to the school's opening is substantially inadequate for teachers to prepare for the academic year using the various components of the academic plan. Overall, the proposed professional development strategies are not realistic in supporting the teachers to differentiate their teaching, nor are they connected to a comprehensive professional development system that would support all teachers within the school.

Financial Plan

IMAG Academy

Rating

Fall Far Below the Standard

Plan Summary

The financial leadership team of IMAG Academy will be comprised of the governing board, board treasurer, school director, and business manager. The school director will be responsible for transaction-level oversight by ensuring that adequate financial procedures and controls are in place, while the business manager will be responsible for the overall financial administration.

IMAG Academy will be seeking a grant from the Harold K.L. Castle Foundation ("Castle Foundation") in the amount of $420,000, which would provide $225,000 in Year 0 to fund start-up activities, $150,000 to fund operating expenses in Year 1, and $37,000 in fiscal agent fees.

The following chart provides the budget revenues, expenses, and operating gains or losses for Years 1 through 3:

	Total Operating Revenues	Total Operating Expenses	Total Operating Gain/(Loss)
Year 1	$1,648,479	$1,661,369	($12,890)
Year 2	$2,416,195	$2,432,010	($15,815)
Year 3	$3,352,291	$3,363,515	($11,224)

Analysis

The Financial Plan **falls far below the standard** for approval because the plan does not meet the criteria in most respects and is undeveloped. The applicant's responses demonstrate a lack of preparation and raises substantial concerns about the viability of the plan.

The Financial Plan fails to provide complete, realistic, and viable start-up and three-year operating budgets. The plan is severely flawed and unrealistic. A review of the start-up plan from the financial perspective further evidences the infeasibility of the staffing plan. According to the budget, the staffing costs for Years 1-3 account for 91%, 81%, and 80%, respectively, of the total per-pupil allocations that would be received. To offset these significant costs in Year 1, the applicant assumes that $150,000 in Castle Foundation grant funding will be provided. Therefore, the applicant's Year 1 budget is predicated on unsecured funding for operational costs and facility funding since almost all the per-pupil funding will be used on staffing. This approach raises serious doubts as to the viability and sustainability of the Financial Plan and budget.

Additional evidence that the Financial Plan is inadequate is demonstrated by the fact that the applicant intends to hire a grant writer using grant funds from the Castle Foundation. It is unclear how the applicant plans to write the Castle Foundation grant that will allow it to hire the grant writer. The only funding source identified in the Year 0 budget, other than the Castle Foundation grant, is an in-kind donation of $6,000, in the form of a rent discount from the lessor of a preferred facility the school wishes to operate in.

The Financial Plan fails to provide a detailed budget narrative that clearly explains reasonable, well-supported revenue and cost assumptions. The applicant's failure to provide reasonable, well-supported revenue is demonstrated in the Year 0 budget, which is almost entirely predicated on grant funding. The budget narrative assumes $225,000 of a total budget of $231,000 in Year 0 will come from a Castle Foundation grant. Securing funding in Year 0 is crucial to the Financial Plan because the applicant intends to purchase instructional materials, such as textbooks, student and staff computers, and furniture during this time. In all, almost $90,000 of the Year 0 budget would be used for these purchases. In addition, Year 0 funding is needed to facilitate the staffing plan, the success of which depends upon hiring key staff members (such as the Curriculum Resource Teacher, Business Manager, and SASA) in the start-up period.

The Financial Plan does not provide a sound contingency plan to meet financial needs if anticipated revenues are not received or are lower than expected. The contingency plan provided by IMAG Academy fails to describe the actions that will be taken if the grant funding from the Castle Foundation is not received, and instead the contingency plan reduces the amount of Castle Foundation grant funding from $420,000 to $240,000. The reduced funding would result in a start-up budget of $140,000 in Year 0 and $100,000 for operating expenses in Year 1. When asked specifically what the applicant would do if Castle Foundation grant funding was not received, the applicant responded that it would seek other grants, such as the Charter School Program grant from the U.S. Department of Education and a grant from ING Foundation. The absence of a contingency plan that is not dependent on grant funding further undermines the validity of the Financial Plan.

The overall weakness of the Financial Plan, evident in unrealistic staffing costs and a dependence on grant funding, demonstrates the applicant's lack of financial capacity and increases the likelihood that the budget, as described, will not sustain the operations of the school.

Evidence of Capacity

IMAG Academy

Rating

Fall Far Below the Standard

Plan Summary

IMAG Academy has identified the following individuals as key members of its applicant team:

- Sheila Buyukacar, the proposed school director who served as an officer in the Air Force over a 20 year career and has recently provided educational consulting services in professional development and leadership;
- Joseph Evans, the proposed Business Manager who has financial experience in the Hawaii charter school system and in the banking, investment, and nonprofit industries;
- Keoni Inciong, an administrator and educational specialist in the Hawaii Department of Education with over 30 years of experience; and
- Cheryl Cudiamat, the director of a preschool care facility in Central Oahu with experience in marketing and human resources management.

Analysis

The Evidence of Capacity **falls far below the standard** for approval because the applicant does not inspire confidence in its capacity to carry out the proposed plan effectively. The applicant failed to provide sufficient evidence that its key members possess the collective qualifications—including a demonstrated understanding of challenges, issues, and requirements associated with running a charter school—to implement the proposed school's Academic, Organizational, and Financial Plans.

Foremost, the applicant demonstrated a lack of financial capacity as evidenced by a Financial Plan that heavily depends on substantial grant funding to be implemented. The applicant provided no evidence of capacity to obtain the grant funding on which it relies, and the applicant has not identified a grant writer with the necessary capacity. The lack of capacity is further demonstrated in the applicant's failure to provide a viable contingency plan that addresses the applicant's dependence on grant funding. Instead, the contingency plan provided only reduces the grant revenues the applicant hopes to receive.

This substantial lack of financial capacity resulted in a Financial Plan that is unrealistic and infeasible. The applicant's failure to provide a viable Financial Plan is the primary factor in rating the applicant's overall capacity as falling far below the standard.

The lack of organizational capacity is demonstrated in the applicant team's overreliance on the proposed school director to implement a start-up plan that requires substantial fundraising, including grant writing as previously described. This lack of capacity is further demonstrated by the applicant's apparent inadequate understanding of professional development strategies.

The Evaluation Team expressed concerns regarding the applicant's capacity to deliver rigorous instruction that is aligned with both IMAG Academy's stated mission and guiding concepts and academic standards for a number of reasons.

Not only does the application fail to explain how the key concepts and frameworks that form the basis of the Academic Plan will be integrated into a cohesive, comprehensive instructional plan, but it is also missing information about the curriculum for both certain non-core courses and entire grade levels and does not provide a formalized process for the analysis of student achievement data. In addition, the applicant's proposal to use different assessments if students do not perform well demonstrates a troubling lack of understanding of basic principles of sound data collection and analysis and raises concerns that the applicant may be planning to adjust academic expectations to the achievement levels of low-performing students.

Evaluator Biographies

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 (such as the audit of Hawaii's charter schools and a study of the Hawaii Teacher Standards Board) where he analyzed agency effectiveness and efficiency and identified internal control weaknesses. 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.

Beth Bulgeron

Ms. Bulgeron is the Commission's Academic Performance Manager. She previously worked as an administrator in charter schools in Chicago, Illinois and Santa Cruz, California. She has developed standards-based curriculum and assessments for public school districts and charter schools and has served as a curriculum consultant. Prior to that, she taught for five years in charter high schools. She earned her BA at the University of Wisconsin, Madison and her JD and LL.M. in Education Law and Policy at the University of the Pacific, McGeorge School of Law.

Jeff Poentis

Mr. Poentis is the Commission's Financial Performance Specialist. He has extensive accounting experience and is a Certified Public Accountant with over 18 years of experience in both the private and public sectors. He holds a Bachelor of Business Administration from the University of Hawaii at Manoa.

Kirsten Rogers

Ms. Rogers is an Evaluation Specialist in the Department of Education's Accountability Section, which administers the public school system's statewide accountability program with a focus on developing and implementing educational indicators on school performance. She formerly served the Commission as its Academic Performance Specialist. She has experience as a middle school teacher at both a charter school in Tennessee and at Wheeler Intermediate, a DOE school in Hawaii. She is a Teach for America alumnus, a former corps member advisor, and former content community leader for the organization. She also holds a Master of Education in Teaching from the University of Hawaii at Manoa.

Kenneth Surratt

Mr. Surratt has nearly 20 years of business and operations management and analysis experience, half of which has been in education-related roles. He has worked for Charter Management Organizations, including management positions with KIPP (the largest charter school network in the nation) and as the Chief Financial Officer of Breakthrough Charter Schools. He also served as the Assistant Director of CREDO (Center for Research on Education Outcomes) at Stanford University when it authored one of the largest charter school studies in the country. He holds an MBA from Duke University's Fuqua School of Business.

GG Weisenfeld

Dr. Weisenfeld has nearly 28 years of experience in education, specializing in elementary and early childhood education. She most recently served as the Director of the Executive Office on Early Learning in the Office of the Governor and wrote the state's federal Preschool Development Grant application for Hawaii's charter schools. She also has extensive experience teaching, training, and managing teachers and served as Board President of Lanikai Elementary Public Charter School. She holds an MS in Elementary Education from Bank Street College and an Ed.M. and Ed.D. in Educational Administration from Columbia University's Teachers College.

Exhibit B

Applicant Response for IMAG Academy

Response to the Application Recommendation Report – The IMAG Academy

Summary of Findings and IMAG Academy Response – Academic Plan

1. Does not provide a comprehensive framework for rigorous, high-quality instructional design that is aligned to academic standards

Content material selected are aligned and anchored in CCSS and national standards. HI DOE curriculum consortium provided an extensive 3 year review of available curriculum.

Standard extensions can easily be added to course scope and sequence document.

2. Does not provide a comprehensive course scope and sequence that aligns from grade to grade

The selected content curriculum is CCSS and national standards aligned content material and is integrated grade to grade for all grades.

Reviews/modifications are scheduled to begin in Jan/Feb 2016 by budgeted, contracted educators.

3. Does not demonstrate understanding of, and capacity to fulfill, state and federal obligations and requirements pertaining to students with special needs, including ELL students.

Dedicated ELL teachers do not predicate success of ELL program services and are not a normal practice within most schools. Embedding ELL program requirements within our standard organizational processes during startup (ie enrollment process, etc) and having program details and processes in place prior to the first day of school provides for a quality ELL program.

Our partnership with HI DOE Leeward District ELL Educational Specialists will continue to ensure a quality ELL program and associated processes will be in place prior to the first day of school.

Background in support of IMAG Academy Status

1a. Fails to explain how 3 elements Rigor – Mastery of CCSS, Relevance – Projects, Safe & Nurturing – School Family will be realized and implemented. Doesn't describe how the concepts (academic rigor or other concepts) are aligned to CCSS and will be used to deliver standards based instruction

We believe there is evidence throughout our application of how our instructional framework will be implemented, realized *and assessed*.

To provide a standards based learning environment is to understand what students should know and be able to do *and* how to know when students have learned. This has led us to start with content curriculum aligned and anchored to the common core state standards (CCSS) and appropriate national standards. As important, is the further connection and relevance to the real world through our community centered projects.

The three parts of the framework are integrated into a whole system that supports our learning environment, teaching community and school organization. Each is a driver within our system with its own structures, but each is an essential supporter to enhancing the other elements as they work together to provide a holistic educational system. Here are the basic contributions made by each element.

Mastery of the Common Core Standards (CCSS) begins with our selection of content curriculum that is aligned to the CCSS and our scheduled reviews and modifications. As important, is how we

extend learning by instructional strategies used within each classroom. The instructional strategies identified are focused on increasing knowledge and skill acquisition. The curriculum content and CCSS performance standards are extended into our projects. Both are provided within the application; III Academic Plan Design and Capacity, 6a. Curriculum (pages 10-13) and 7. Instructional Strategies (page 14).

Our **community-centered project based learning** environment provides the connection to concerns and issues within the community and provides our students with a continuum of experiences to solve complex, real world problems and adapt known knowledge and skills to unpredictable and unrelated situations. The curriculum content and CCSS performance standards are incorporated within the projects. Our application also provides examples of CCSS performance standards, for example, decipher complex informative text and discover multiple primary resources. In addition, the CCSS Speaking and Listening standards – Comprehension and Collaboration and Presentation of Knowledge and Ideas are ingrained and essential components for successful project based learning. A good description of the how project based learning at The IMAG Academy will be implemented and realized is provided in the application; IV. Initial Proposal Amendment, III.B.a – Curriculum Design (page 1-2).

Positive social interactions and relationships are the foundation to cooperation and in providing a **safe and nurturing environment.** The School Family creates an environment where students are able to process their emotions and transform their inner states to allow their higher centers of their brain to engage; where learning takes place. In addition to enabling the body and mind to learn, the School Family also provides knowledge and skills essential for high performance of the CCSS Speaking and Listening standards – Comprehension and Collaboration and Presentation of Knowledge and Ideas. The structures, rituals, and routines that will be implemented within the classroom are listed in the application; III Academic Plan Design and Capacity, 7. Instructional Strategies (page 15).

In addition to the different levels of informal and formal formative and summative assessments that will be conducted, our metrics were chosen for their focus on essential elements we believe to be critical to understanding if our instructional framework of rigor, relevance, and social emotional and communication development are being achieved. Each metric will have an individual and cohort component to be used to make adjustments in a student's learning environment or within our teaching community and school organization. Our initial formal assessment plan is presented within Attachment E – Assessment Plan and our Quantifiable Goals and associated metrics are presented within Attachment D – Quantifiable Goals and within the III. Academic Plan Design and Capacity sections 3 and 4.

2a. **Fails to demonstrate alignment to standards or illustrate alignment from grade to grade**

Our decision to select HI DOE content curriculum that was aligned to the CCSS was driven by three concerns. First, content curriculum selection required us to develop criteria and systematically identify curriculum to this criteria. Second, a quality review and selection process would have taken a group of experts and an extended length of time to complete. Third, past and future professional development in the content material for our educators would become very helpful due to the many other areas requiring training, especially during startup. An added bonus was that the curriculum chosen would be driven by the CCSS and integrated grade to grade.

So when asked to provide a course scope and sequence, we left the references to CCSS out due to it already being aligned to CCSS and integrated grade to grade. This can be easily added to our course scope and sequence document.

2b. Doesn't contain info about any courses or curriculum for grades 11 or 12

Although we selected our curriculum for all grades K-12 we inadvertently left out the course scope and sequencing for grades 11 and 12 to do more research on its sequencing options. They are listed below. The selected content curriculum are listed within the application; III. Academic Plan Design and Capacity, 6a. Curriculum (pages 11-12).

ELA – Springboard – 6-12
Math – HI DOE/UH – grades 9-12
Social Studies – Harcourt – grades 9-12
Sciences – Harcourt – grades 9-12

2c. No selected or developed curriculum for non-core courses, such as art. Does not include development plan for these items not selected. No realistic timeline for creation or selection of curriculum for these courses that aligned with PD calendar

As stated, Art will use primary, local resources and will align with HPCS III. In addition, activities and projects will support and be integrated into our classroom, grade and school-level projects. This is stated within our application, III. Academic Plan Design and Capacity, 6a. Curriculum (page 12)

Although a timeline specifically for Art was not presented, it would have followed the schedule for Identifying Program to V-BASE Project Connections and can be easily added to this schedule. This is presented within our application; III. Academic Plan Design and Capacity, 6a. Curriculum (page 13).

2d. Low number of Professional Development days raises significant concerns of lack of understanding of the time and resources that will be required to implement the planning, development, and project coordination tasks

The evaluators may have overlooked our overall efforts in support of our teacher's professional development that includes several different aspects of pre-school preparation work, professional development, dedicated support personnel for on-going professional development and our culture supported by our organizational policies and practices.

Here are the elements that make up our professional development program. As you will see, it spans across all application documents presented.

1. Pre-opening contract work for 5 educators/support personnel for 10 hours/week for 8 weeks.
2. Ten days (70 hours) of professional development prior to the opening of school
3. On staff-teacher support; resource teacher, project coordinator, student/parent coordinator
4. School culture of leadership, mentorship, collaboration, and decision making

These areas were presented in several areas within the application; III. Academic Plan Design and Capacity (pages 12-13), IV Initial Proposal Amendment (pages 3, 5), V. Organizational Plan and Capacity (page 10), VI. Financial Plan and Capacity (Attachment MM – Year 0 Budget Line Item 213 and Attachment NN - Budget Narrative – Startup Budget Estimates – Contingency (page 5)).

Regarding our teacher professional development schedule we will have 195 teacher work days starting with our first school year, 2016-17. Our plan is to maintain this schedule through our growth to capacity (year 7) to accommodate the increase in new teachers every year. Fifteen of those days will be professional development days, 5 days more than allowed by HSTA without an amendment. This was outlined in our application; IV. Initial Proposal Amendment (page 3).

Professional Development Days include 15 days or 105 hours/school year. Here's how it is used.

- 10 days or 70 hours prior to school (4 days have been the norm since 2013)
- 1 day or 7 hours – Teacher Institute Day
- 2 days or 14 hours – End of Winter Break (1 day is the norm)

- 2 days or 14 hours – End of School (1 day is the norm)

This was outlined in our application; V. Organizational Plan and Capacity (page 16)

Our goal is to provide the proper level of knowledge and skill a teacher or staff may need to understand, do and improve in their positions and profession. As important is the fact that each person must receive on-going support and/or coaching when and where needed. This may take the form of one-on-one discussions, informal classroom observations and feedback, formal collaborative discussion groups, or part of a personnel effectiveness evaluation system. This was outlined in our application; V. Organizational Plan and Capacity (page 14).

School Culture

We believe our staffing numbers provides the supportive environment necessary for our culture. As important, it was built to facilitate collaboration and decision making through teacher planning time, grade level assistants, weekly staff development, instructional mentorship, and observational evaluation. This is an essential piece of a teacher's professional and personal development. This is presented within our application; IV, Initial Proposal Amendment (page 5).

3. Drastically changed the way ELL students would be serviced (21% of students will be ELL) Eliminated two dedicated ELL teachers in year 1 and throughout years – focused on hiring with ELL training—may not have staff necessary to provide appropriate level

The quality of service provided to our English Language Learners (ELL) is not necessarily predicated upon the number of dedicated teachers on staff for this specific program. Upon being corrected on our reimbursement assumption for dedicated ELL services/positions, we sought advice from our Leeward District ELL Educational Specialists. They informed us that ELL services are provided in many variations and that Highly Qualified Teachers (HQTs) dedicated to provide ELL services are not a common practice.

The decision to eliminate these dedicated positions resulted as we learned that ELL program services throughout our schools take many different forms. As we continue this discussion, we believe it will take a combination of early and appropriate processes to assessing a student's language proficiency, placing our students in the program to receive services, exiting a student from the program, and ensuring the appropriate monitoring is done.

We have always understood the importance for a quality ELL service delivery program due to our probable student body demographics and thought dedicated teachers would be the ideal option. As we continue to work with our Leeward ELL Educational Specialists we have found there are many options. We will continue to partner with HI DOE to ensure our program and associated processes provide quality services from the first day of school.

Summary of Findings and IMAG Academy Response – Organizational Plan

1. Does not provide a sound plan for the development of the school during its pre-opening phase.

The use of a single project manager and a committee/task force structure to manage the implementation tasks of opening The IMAG Academy enhances our ability to keep more aware of surprises and challenges. As important, it ensures our school director's capacity to provide direction and use limited resources efficiently and effectively.

It also allows us to provide a system for others to step into in the possible absence of our school director. In addition, our response provides corrections to missed information and detailed explanation of our analysis and decision making processes.

The clarifications regarding grants and grant writing should help to clear up any misunderstood areas.

2. Does not include appropriate goals and data driven strategy for ongoing professional development, including the process for evaluating the efficacy of the professional development, nor does the plan provide professional development opportunities and scheduling that effectively support the Academic Plan and are likely to maximize success in improving student achievement, including an adequate induction program.

As we responded with a lot of details regarding teacher and student recruitment, further insight into what the evaluators felt was missing could be easily added. In addition, as professional development takes a lot of forms within The IMAG Academy, again, details of what may be missing would be appreciated and added to ensure the commissions confidence in our capacity to successfully implement the startup and operational tasks of a thriving public charter school.

Background in support of IMAG Academy Status

1a. Entire start-up plan is based on the efforts of one person, as the overwhelming majority of tasks depend on the school director

As a group, our founding members are professionals and have had years of project implementation experience in managing small and predictable to large and groundbreaking projects. Therefore the use of a single project manager and a committee/task force (team) configuration was chosen as the best organizational structure that combines best practices in communications flow, delegation, coordination and integration of a project that has limited resources (money & personnel) and on a constrained time schedule. We feel this structure provides us more and earlier insight into concerns/problems and utilizes our limited volunteer resources more efficiently and effectively.

As a founding member able to commit to work full-time on the opening of The IMAG Academy and her intimate knowledge of our academic, organizational and financial plans, our school director is the natural choice to act as the project manager. As a project manager, she will be able to form the teams (committee/task force structure) to carry out the necessary tasks. She will be the one to provide direction to ensure at every phase of the project, each contributor (founding member or volunteer) or committee knows what's expected. This will enhance good communication flow through more clearly-defined goals and our ability to proactively deal with surprises and challenges.

As we have little room for error and would like to ensure our team members are utilized in areas they feel useful, keeping our team members confident and moving forward in accomplishing the many and varied tasks of opening a school is critical. Using our school director as the coordinating individual, as presented in Attachment GG – Startup Plan, for tasks with no specific school position or committees already identified, ensures tasks are not overlooked, but delegated to the appropriate founding member, volunteer or committee/task force based on availability and expertise.

1b. If school director is unavailable for extended (3 weeks), identified 2 individuals but limited to 10-12 hours per week (each)

The use of a committee/task force structure managed by one full-time project manager allows a system of delegation and accountability. It enables and enhances span of control, especially when dealing with highly motivated and driven professionals. We feel this is the most productive and

secure way of managing the implementation. This structure also allows others to step in if our school director becomes unavailable.

As identified within the Request for Clarification, Joseph Evans and Keoni Inciong, will be able to provide 10-12 and 7-10 hours respectively per week with a combined 20-22 hours per week to the project if our school director is unavailable. This equates to approximately 3 hours per day to provide answers and coordination to our volunteers and committee groups as they move forward in completing their tasks. We believe our organizational structure and having specific coordinating individual(s) allows communication to continue to flow during our startup period and these 3 hours per day will serve us well during a possible absence of our school director.

1c. Has not provided evidence of capacity to successfully complete start-up tasks, particularly the writing of grants.

Our school director has gone above and beyond in moving our team forward during the last 10 months of this PRE-startup period. She has been our coordinating lynchpin for every aspect of our founding team from building community connections, identifying school locations and options, website design/maintenance, flyer design/distribution, application deadlines, response reviews, and commission testimonies to over 20 past and future community outreach events. She has been the focal point in answering questions from families and supporters and in gathering names of over 130 supporters, representing over 70 students. This is just the tip of the iceberg of PRE – startup evidence we have documented of frontline and behind the scenes completed tasks. We can't imagine she will stop once we get our charter approval.

Although our school director has written several grants in different capacities in the past, she has identified grant writing as an important element to our funding strategy and has convinced us that an expert grant writer is essential. We have budgeted and acquired a funding commitment for this important resource.

1d. Hiring of grant writer not accounted for in financial plan.

This statement suggests the evaluators overlooked several important revenue and expense line items within the budget and cash flow worksheets for Year 0 – Startup, in addition to written statements within our Attachments NN and GG regarding funding and fundraising activities and timelines. The $5000 amount was also maintained within our Contingency Budget Estimate in Attachment GG. Please see below for the specific items within the applicable cash flow and budget worksheets within the financial plan.

Ref: Attachment MM – Financial Plan Worksheets – Worksheet A2. Bgt FuncExp Yr0
Line Item #172 – Contracted Services for $5000 for Grant Writer
Line Item #740 – Contributions – Cash for $5000 (Donation - Startup)

Ref: Attachment MM–Financial Plan Worksheets–Worksheet A3. Estimated Cash Flow Yr0
Line Item #14 Cash Contributions of $5000 (projected receipt in July 2015)
Line Item #20 Contract Services Expense of $2500 (projected use in July 2015) and $2500 (projected use in December 2015).

1e. Still developed a staffing plan that can only be successful with grant funding

As described within our financial plan response we are not fortunate to be backed by private or business donors. Building community relationships is important to us and we have continued to

work on this and have identified a Year 0 list of task to help our focus in this area, but it requires time to foster, therefore our only recourse to large amounts of money are grants.

Although we will be conducting annual fundraising events, based on discusses with other charter school directors, these events are time consuming and the funds earned are very small. Therefore when equating time and effort with the amount of potential funds, grants are the best return on investment of our time and resources, especially during this startup period. In addition, we understand the importance of using an expert grant writer and have identified the cost and funding early within our budget and cash flow requirements.

With that said we also understand our dependency on this unpredictable source and have been diligent in our contingency plans to eliminate, reduce and rethink our funds requirement. In fact, these efforts have reduced our Year 1 contingency budget to requiring only $7.1K in grants, donations, or further cuts. In addition, our Year 0 contingency budget is only $140K which may be more easily acquired through a Harold K.L. Castle Foundation grant or a combination of awards from other 16 grantors on our revised grantor list.

2a. Specific start-up roles for the team or individual are not identified

We will be using a project management approach to implement the activities and tasks of opening the school. Our school director will be our full-time project manager and the lynchpin and focal point for all activities/task as identified within Attachment GG-Startup Plan.
In addition, with the use of a committee/task force structure, our school director will be able to use the focus of a committee to delegate and organize manpower based on founding members and volunteer's strengths, interest and availability.

Attachment GG – Startup Plan provides details of tasks as identified by the application process; Funding/Fundraising, Marketing to families and developing community partnerships, staff hiring and professional development, board recruitment-transition-development. There are many more areas requiring dedicated effort and having one person as the focal point will ensure coordination and integration is more probable and overlaps of effort is kept to a minimum.

As noted within Attachment GG – if a specific staff position or person will be responsible for the implementation, that position was added as a POC within the timeline. Our school director has been named as the POC within these timelines to ensure integration and coordination with other activities/tasks is not lost.

2b. Student recruitment efforts are listed, but the recruitment plan is sparse.

Upon reviewing all sections pertaining to student recruitment within Attachment GG – Startup Plan VI.G.1 Student Recruitment, and our enrollment policy we've identified a multi-medium and multi-distribution process to ensure information is given to community members, as well as, to inform and develop partners with focused programs for families in poverty, families of students with diverse needs and academic abilities.

Our project based student and school programs/fundraisers also act as an indirect way to recruit students interested in other educational learning options.

As we finalize the specifics, we will also consider specific dates or milestones that include specific enrollment numbers. This would help us to adjust our marketing efforts.

2c. Teacher recruitment lacks important details (lacks understanding of key issues) and recruitment timeline, but no substantive plan for how they will be recruited

There are many details within the VI.C Organizational Plan – Staffing Plans, Hiring, Management, and Evaluation section and Attachment GG – Startup Plan to include reviewing and modifying personnel and hiring policies/criteria and processes regarding recruiting and hiring cycles and timelines. We've outlined a hiring process to include teaching sessions with a possible student audience. As important, we've identified and budgeted for the necessary number of educators to assist in reviewing, modifying, and finalizing foundational curriculum and organizational requirements during the earlier months of 2016. This time will also be used to identify other details we hadn't planned for yet and to ensure teacher recruitment and hiring process is responsive and serves our requirements.

As we've identified multi-medium and multi-distribution strategies for student recruitment, this same level of diverse information distribution would be used with teacher recruitment. In fact, our project based fundraisers which include school visits and our teacher professional development workshops will also serve as a form of recruitment.

2d. Professional Development

Upon reviewing our inputs in the professional development section within the organizational plan, VI.D Organizational Plan – Professional Development, our responses within each area has answered the questions presented within this evaluation report except for one exception. At this point in time, we do not have a specific process identified yet for an induction program. We understand its importance and will add it to our implementation plan to ensure its development.

Although our goal, as identified in VI.D Organizational Plan – Professional Development, for professional development of all of our employees is to provide the proper level of knowledge and skill a teacher or staff member may need to understand, do and improve in their position and profession. As important is for each person to be able to receive on-going support and/or coaching when and where needed. These statements have driven our decisions in our organizational staffing plan and will continue to drive our professional development choices and structure.

Like teaching moments, professional development opportunities exist every moment of the day and are supported by our staffing plan to have a resource teacher hired within the first hiring cycle. The formalized process of identifying professional development needs at the individual, grade, school and organizational level has also been identified.

An area that also informs our professional development options/opportunities and plans would be the use of our assessments and metrics. Each tool would be used to make adjustments in an individual student's learning environment or within our teaching community and school organization. Changes and trends would affect our instructional decisions as well as our strategies and resulting professional development requirements.

In addition, although there are other factors that may trigger professional development for our staff; use of a new curriculum or changes to an existing framework, most professional development for our staff will be driven by both quantitative and qualitative data. For example, as outlined within the VI.D Organizational Plan – Professional Development, positive or negative data trends received from our metrics will be used to make professional development decisions. Our focus on trends and

our continued communication with our staff after formal or informal support has been given provides for another level of evaluating the efficacy of professional development efforts.

Our pre-school schedule, our school calendar, and our weekly and daily schedule have identified specific professional development opportunities and are communicated within these scheduling mechanisms. In fact a process has outlined to identify and approve formalized opportunities at the end and beginning of each school year. Special requests are also considered.

Our pre-school opening professional development schedule is actually 5 days over the allowable work days within the HSTA contract and will require an amendment.

As important are the triggers outlined with our application. In addition, the scenarios shared within the Request for Clarification will require a number of ways discrepancies will be addressed. Through on-going observation, collaboration, and discussion between educators and our resource teacher and school director, professional development opportunities will continue to be addressed on a daily and on-going basis.

In addition, as part of and by using the HI DOE educator evaluation system, our overall professional development goals are emphasized through the use of the system's schedule. As outlined as part of the overall system, it begins with identifying areas of concern, appropriate professional development opportunities and a feedback loop to ensure reflection and efficacy of the professional development received.

As we feel strongly about having a strong and sustainable professional development program, we feel it would be extremely helpful to better understand what other details the evaluators feel will make a more robust and improved program at this time.

Summary of Findings and IMAG Academy Response – Financial Plan

1. Fails to provide complete, realistic, and viable startup and three-year operating budgets
2. Fails to provide budget narrative that clearly explains reasonable, well-supported revenue & cost assumptions

We have provided complete, realistic and viable startup ideal and contingency three-year operating budgets as presented in our initial financial worksheets and our subsequent Initial Proposal Amendment and Request for Clarification response. Our estimates exemplify our ability to make hard decisions regarding our largest expense items. More importantly, our responses demonstration our continued effort to look at all opportunities to ensure our successful opening and our sustainable growth.

Our team's financial and organizational acumen in being able to objectively correct errors in missed information and analyze options to provide the necessary and quality services to our students, families and community has been demonstrated within all documents of this application.

As we are not fortunate to be backed by private or business donors and building relationships require time to foster, our only recourse to large amounts of money are grants. Although we plan on conducting fundraising, we believe grant funding is the best return on investment of our time and resources, especially during this startup period. In addition, we understand the importance of using an expert grant writer and have identified this cost early within our budget and cash flow planning.

With that said we also understand our dependency on this unpredictable source and have been diligent in our contingency plans to eliminate, reduce and rethink our funds requirement. In fact, these efforts have reduced our Year 1 contingency budget to requiring only $7.1K in grants, donations, or further cuts. In addition, our Year 0 contingency budget is only $140K which may be more easily acquired through a Harold K.L. Castle Foundation grant or a combination of awards from other grantors on our revised grantor list.

Background in support of IMAG Academy Status

1a. Plan is severely flawed and unrealistic

The table presented within the 2014 Final Application Recommendation Report suggest evaluators **missed important line item budget estimates**, therefore provides a severely flawed and detrimentally incorrect picture of our initial financial budget and expertise. The report's table does not include important Non-Operating Revenue (Line items #700 – 799). These line items provide input for #720 - Contribution – In Kind, #740 - Contributions – Cash, and #770 - School Fundraisers. The tables below represent the correct amounts within our Attachment MM – Financial Plan and our revised contingency budget as presented in our Request for Clarification response (pages 7-8).

Attachment MM Financial Plan-Initial					
Year	Operating Revenue Line items # 1-13	Non-Operating Revenue Line items #700-799	Total Revenues	Total Operating Expenses Line item #100-499	Total Operating Gain/(Loss)
Year 1	$1,648,479	$21,200	$1,669,679	$1,661,369	$8,309
Year 2	$2,416,195	$26,600	$2,442,795	$2,432,010	$10,785
Year 3	$3,352,291	$30,000	$3,382,291	$3,363,515	$18,777
Revised Estimates Without ELL Teachers (removed reimbursements in Request for Clarification)					
	Operating Revenue Line items # 1-13	Non-Operating Revenue Line items #700-799	Total Revenues	Total Operating Expenses Line item #100-499	Total Operating Gain/(Loss)
Year 1	$1,539,914	$21,200	$1,561,114	$1,552,884	$8,231
Year 2	$2,253,465	$26,600	$2,280,065	$2,269,281	$10,785
Year 3	$3,081,076	$30,000	$3,111,076	$3,092,300	$18,777
Contingency Plan (Actions within Attachment NN and Detailed Estimates in Request for Clarification)					
	Operating Revenue Line items # 1-13	Non-Operating Revenue Line items #700-799	Total Revenues	Total Operating Expenses Line item #100-499	Total Operating Gain/(Loss)
Year 1	$1,389,914*	$21,200	$1,411,194	$1,418,247	($7,132)
Year 2	$2,253,466	$26,600	$2,280,066	$2,245,713	$34,353
Year 3	$3,081,076	$30,000	$3,111,076	$3,068,732	$42,345

*Removed $150K grant as budgeted in original budget plan per Request for Clarification, therefore revenue amount doesn't include any funding except for reimbursements and in-kind donation via lease arrangements.

The first portion of the table above illustrates the original Attachment MM Financial Plan which shows an Operating Gain in Years 1-3.

The middle portion of the table illustrates the removal of the dedicated ELL teachers per discussions with the Leeward District ELL Educational Specialists. The readjusted salary total will be used in a later answer within this response regarding our salary/per seat revenue ratios.

The bottom portion of the table accounts for our Contingency Plan as presented within our Request for Clarification response. The revised budget is based on eliminating dedicated ELL teacher positions and other reductions in the staffing plan if funding was not received as initially budgeted. **Please note that Year 1 revenues does not include any additional funds or grant awards,**

signifying that only $7.1K will have to be raised. In addition, Year 2 & 3 provides a rather significant increase in a total operating gain to sustain future growth as desired by the commission. All of these figures were presented within the application; Attachment MM, - Financial Plan and our Request for Clarification response (page 8).

Conclusion: The picture painted by these corrections and planned revisions/contingency actions illustrates a realistic view and our deep understanding of our initial and contingency budgets over Year 1-3.

1b: Staffing Plan Infeasible

We knew we had budgeted for an ideal situation in order to allow for a true picture of our desired organization to support our vision, mission and structure. As identified within our Contingency Plan for Year 1 and Startup Contingency Plan for Year 0, if funding was not received at our desired level, we would have to identify reductions or eliminations within the two largest expensed areas; personnel and facilities. Also noted within the contingency plan were possible actions to increase revenue through a variety of activities. This information is presented within the Attachment NN – Budget Assumptions and Narrative (pages 4-5).

In addition, within our Request for Clarification response to a question asking us to provide details on the budget cuts that will be made if the expected grant funding is not received, we gave specific line item reductions totaling almost $135K. The resulting budget summary (bottom table above) and salary/per seat revenue ratios are presented below in our 1c. response.

As we continue to learn and re-learn, we were made aware of our misunderstanding regarding our "dedicated" ELL teacher positions we thought would be reimbursed. We were also questioned about our Salary/per seat revenue ratio being extremely high.

Upon reengaging and discussing our options regarding how we should proceed with providing necessary ELL services with our HI DOE Leeward District's ELL Educational Specialists after our interview in May 2015, we found that having dedicated ELL HQ teachers was not a common practice. A more economical option would be to focus on hiring teachers with ELL credentials or credits and developing program strategies and processes with the help of Leeward District's ELL Education Specialists. The decision to eliminate our dedicated ELL teachers at this time resulted in a revised budget summary (middle table above) and the salary/per seat revenue figures for Year 1-3 presented below. This was presented within the Request for Clarification (page 8-9).

Without ELL teachers – Request for Clarification				
	Per Seat Revenue	Salary	FTE	Ratio - %
Year 1	$1,302,000	$1,184,166	23.5	91
Year 2	$2,139,000	$1,734,631	34.5	81
Year 3	$2,976,000	$2,383,843	47.5	80
Year 4	$3,813,000	$2,929,210	58.5	77
Year 5	$4,743,000	$3,380,416	68.0	71
Year 6	$5,208,000	$3,579,613	72.0	69
Year 7 - Capacity	$5,673,000	$3,778,810	76.0	67

In response to the Application Recommendation Report calling our financial plan severely flawed and unrealistic, we reached out and surveyed four currently thriving charter schools with some of the longest standing charters in the state and found our revised salary/per seat revenue ratio not as unrealistic as suggested by the evaluators. Not knowing our ratios, the consensus among the charter

school directors stated, although this ratio is not one they commonly consider, they figured a ratio in the range of 68-72% to be acceptable. As you can see in the table above, our ratio falls into place as we mature to capacity.

Conclusion: We are well aware of our staffing requirements to ensure we provide the best personnel mix possible to accomplish our mission and academic goals. We continue to engage in learning, evaluating and making conscious decisions to budget our money to have the best impact upon our student's learning environment, teaching community and school organization. Our personnel decisions not only answer our mission of providing a teacher for our students, but take into account the behind the scenes supports required to provide day-to-day teaching supports and frontline professional development coaching, guidance, and feedback.

1c: Significant costs in Year 1 assumes $150K grant from Castle Foundation, therefore Year 1 budget is predicated on unsecured funding.

Although within our Attachment NN – Budget Assumption and Narrative and Attachment GG – Startup Plan, we had identified actions we would take to increase our revenue as well as reduce, rethink or eliminate expenses, we were asked within our Request for Clarification to provide specific details on the budget cuts that would be made if the grant funding in Year 1 of $150K was not received. We responded with specific line item reductions, including some of those identified within Attachment NN, totaling almost $135,000. The resulting budget summary (bottom table above) and salary/per seat revenue ratios are presented below.

Further Cuts - Contingency in Year 1– Request for Clarification (Similar Cuts were identified in Attachment NN)				
	Per Seat Revenue	Salary	FTE	%
Year 1	$1,302,000	$1,061,529	21	82
Year 2	$2,139,000	$1,711,063	34.5	80
Year 3	$2,976,000	$2,360,275	47.5	79
Year 4	$3,813,000	$2,905,642	58.5	76
Year 5	$4,743,000	$3,356,848	68.0	71
Year 6	$5,208,000	$3,556,045	72.0	68
Year 7 - Capacity	$5,673,000	$3,755,242	76.0	66

It is important to note, in this contingency scenario, starting in Year 1, revenues only include per seat funding, reimbursements, donations, contributions and funds from fundraising—resulting in requiring little to no additional funding. This Year 1 revised amount of ($7.1K) can easily be covered through small grants or reductions in expenses.

Conclusion: As identified within our Attachment NN, GG and our Request for Clarification response, we have always considered the realities of not acquiring grant funding during Year 1 and will continue to be diligent in balancing our ideal organizational resource requirements with sound financial and organizational management decisions as shown here.

1d: Financial Plan inadequate because it is unclear how the applicant will write the Castle Foundation grant that will allow it to hire the grant writer. The only other funding source was $6K.

This statement suggests the evaluators overlooked several important revenue and expense line items within the budget and cash flow worksheets for Year 0 – Startup, in addition to written statements within our Attachments NN and GG regarding funding and fundraising activities and timelines. Not only was $5000 for a grant writer accounted for, another $10,000 in non-operating revenue was not considered by the evaluators in their negative evaluation. Please see below for the specific items within the applicable financial plan worksheets.

Ref: Attachment MM – Financial Plan Worksheets – Worksheet A2. Bgt FuncExp Yr0
Line Item #172 – Contracted Services for $5000 for Grant Writer
Line Item #740 – Contributions – Cash for $5000 (Donation - Startup)

Other contributions not considered by evaluators-
Line Item #720 – Contributions – In Kind for $5000
Line Item #770 – Other: School Fundraisers for $5000 (Art and Product Show & 2016 Intersession as presented in Attachment GG – page 1 & 2)

Ref: Attachment MM–Financial Plan Worksheets–Worksheet A3. Estimated Cash Flow Yr0
Line Item #14 Cash Contributions of $5000 (projected receipt in July 2015)
Line Item #20 Contract Services Expense of $2500 (projected use in July 2015) and $2500 (projected use in December 2015).

Conclusion: We are well aware of the timing and funds needed to fund our school. We are also willing to engage in whatever activities needed to ensure our sustainability to include annual standing fundraisers, asking for in-kind and cash donations as normal funds development activities. We also look forward to building relationships with private and business donors once our charter approval is confirmed and as we've build our reputation to provide a sound and exciting educational opportunity and community service.

2a: Fails to provide reasonable, well-supported revenue as demonstrated in the Year 0 and Year 1 budgets, which are predicated on grant funding.

Year 1: Our initial and ideal budget for Year 1 required additional funds of $150K. As mentioned earlier, although within our Attachment NN – Budget Assumption and Narrative, we had identified actions we would take to increase our revenue as well as reduce, rethink or eliminate expenses, we were asked within our Request for Clarification to provide specific details on the budget cuts that would be made if the grant funding in Year 1 of $150K was not received. We gave specific line item reductions, including some of those within our budget attachment, totaling almost $135,000. The resulting budget summary (bottom table) and salary/per seat revenue ratios (table within our 1c response) as previously discussed and presented above.

It is important to note, in this scenario, starting in Year 1 revenues only include per seat funding, reimbursements, donations, contributions and funds from fundraising—little to no additional funding will be needed Years 1-3. As we've already accounted for fundraisers and in-kind donations, this Year 1 revised amount of ($7.1K) can easily be covered through small grants or reductions in expenses.

Year 0: Our initial and ideal budget for Year 0 is a little over $239K equating to just under $1140/enrolled student. This amount of money would enable us to focus on implementing the many moving parts of opening a school in lease office space for 210 students. It takes into account our ideal personnel costs ($61.1K) for organizational development, curriculum extensions and professional development, facility costs ($49.5K), miscellaneous costs ($126.8K) for professional development, computers & tech equipment, curriculum, renovations, and furniture.

We also understand the need to have a contingency to cut back on our expenses if our grant requests are not realized as desired. Therefore, we provided a contingency plan for Year 0 that eliminates,

reduces, and rethinks our startup funds requirement. This was provided in our Attachment NN – Budget Assumption and Narrative. This contingency budget plan of a little over $139K, accounted for personnel costs ($39.7K), facility costs ($33.5K) and miscellaneous costs ($66.5K) for a total of $139.7K. This would equate to a little over $665/enrolled student.

It was important to know the range of funds required to have a successful startup period. This knowledge would help us to gauge funds development activities throughout the startup period.

As with any plan, the realities of funds acquisition has led us to plan for fundraising events, cash contributions, landlord and family in-kind donations to help defray the costs. Although we have identified tasks/activities and an associated timeline within our Attachment GG – Startup Plan to development community partnerships, we are not fortunate enough to be currently partnered with private or business donors.

Although we continue to seek private and business donors, we have not focused our efforts on this funding source due to the uncertainty of our charter approval and the realization that building business and community partnerships (and acquiring contributions) requires relationship building which takes time to foster. Therefore, we are seeking to receive the majority of funds from grant awards. As mentioned, our preferred grantor will be the Harold K.L. Castle Foundation due to their previous grant awards to two other public charter schools and their current realization the positive impact their funds can have in the startup phase of a public charter school, especially for a school planning to enroll 210 students in year 1.

With our efforts to build realistic contingencies, a revised list amounting to 16 possible grantors (14 more than the 2 mentioned in the Application Recommendation Report) was included within our Request for Clarification response and shared here. With the help of our grant writer this will continue to be revised to include other compatible grantors.

US DOE CSP — Amount Limit: $200K
Application due: September — Available Funds expected: December

ING Foundation — Amount Limit: $100K
Application due: September — Available Funds expected: December

Pepsi Co Foundation — Amount Limit: $100K
Application due: September — Available Funds expected: December

Pillars of Peace* — Amount Limit: $50K
Application due: April — Available Funds expected: July
This is a new grantor and hope to request an earlier consideration date due to our need for an earlier funds release.

State Farm Youth Advisory — Amount Limit: $100K
Application due: May — Available Funds expected: July

•Invitation Only or Still Researching Details	
Public Schools of Hawaii Foundation	Verizon Innovative Learning
THINK Fund via HCF	Entrepreneurs Foundation Hawaii
RGK Foundation	Alexander and Baldwin
Bank of Hawaii	Bank of America

Envision Learning	The Learning Coalition
McCarthey Dressman Education Foundation	

Conclusion: We believe grant funding is the best return on investment of our time and resources, especially during this startup period. In addition, we understand the importance of using an expert grant writer and have identified this cost early within our budget and cash flow planning.

Our contingency plan to eliminate, reduce and rethink our funds requirement has reduced our Year 1 contingency budget to requiring only $7.1K in grants, donations, or further cuts. In addition, our Year 0 contingency budget is only $140K which may be more easily acquired through a Harold K.L. Castle Foundation grant or a combination of awards from grantors on our revised grantor list.

Summary of Findings and IMAG Academy Response – Evidence of Capacity

1. Failed to provide sufficient evidence that its key members possess the collective qualifications—including a demonstrated understanding of challenges, issues, and requirements associated with running a charter school—to implement the proposed school's Academic, Organizational, and Financial Plans.

Financial Plan: As the primary factor in our "fall far below the standard" rating was our financial plan, we believe we have re-illustrated our team's financial and organizational acumen in being able to objectively correct errors in missed information. In addition, our ability to analyze options to provide the necessary and quality services to our students, families and community has been demonstrated. In fact, these efforts have reduced our Year 1 contingency budget to requiring only $7.1K in grants, donations, or further cuts. Our Year 0 contingency budget is only $140K which may be more easily acquired through a Harold K.L. Castle Foundation grant or a combination of awards from grantors on our revised grantor list. A **"meets standard"** rating should be awarded.

Academic Plan: The evaluator's comments allowed us to identify the few and easily correctable areas. In addition, through our partnership with Leeward ELL Educational Specialists, we have come to realize having dedicated ELL HQ teacher positions does not predicate a successful program and we hope the options presented illustrates our continued analysis to deliver a quality program. A "meets standard" rating pending additions to the documents in question should be awarded.

Organizational Plan: There are many successful ways to manage an organization. Our explanations driving our decisions should provide a source of confidence in our continued analysis of the situation, decision making process and openness to options and opportunities.
A **"meets standard"** rating pending identified additions to the areas in question should be awarded.

Overall Evidence of Capacity: As the primary factor in our "fall far below the standard" rating was our financial plan, we believe we have re-illustrated our team's academic, organizational, and financial expertise. We demonstrated our ability to objectively correct errors in missed information and analyze options to provide the necessary and quality services to our students, families and community. A **"meets standard"** rating should be awarded.

As with any plan, we continue to learn and apply the knowledge we've acquired to better represent and revise our requirements. Therefore, based on our application details and clarifying responses we request a revised recommendation of **"APPROVE" pending identified additions to areas or documents in question.**

Exhibit C

Evaluation Team Rebuttal for IMAG Academy

State Public Charter School Commission 2014 Evaluation Team Rebuttal to the Applicant Response

Charter Application for
IMAG Academy

Evaluation Team
Team Lead: Danny Vasconcellos
Evaluators: Beth Bulgeron
Jeff Poentis
Kirsten Rogers
Kenneth Surratt
GG Weisenfeld

The Evaluation Team would like to express its appreciation for the hard work and effort that the IMAG Academy applicant team has done throughout the charter application process, most recently in the applicant's response to the Evaluation Team's Final Application Recommendation Report ("Recommendation Report"). As such, the Evaluation Team would like to provide a few comments to the Applicant Response.

Academic Plan

The Recommendation Report states that the application does not provide a comprehensive framework for an instructional design aligned with academic standards, as the applicant provided instructional strategies but failed to clearly explain how these strategies complement each other and align to Common Core State Standards ("CCSS"). In the response, the applicant reiterates the instructional strategies in the application and states that they are aligned to standards but, again, does not explain how these components work together in IMAG Academy's academic plan. The Applicant Response acknowledges that references to the CCSS were not included, as the applicant assumed that the Evaluation Team understood that its curriculum is aligned with the standards and integrated. In addition, the response also acknowledges the omission of information regarding the curriculum for grades 11 and 12. Therefore, the Evaluation Team stands by its conclusion that the academic plan does not provide a comprehensive framework.

The applicant also responded to the concerns regarding the services that it would provide to English Language Learners ("ELL") by clarifying the steps previously described in the Request for Clarification ("RFC"). The response states that advice from the Department of Education's Leeward District office had been sought regarding ELL services and that IMAG Academy was told that ELL services are provided in many variations and that Highly Qualified teachers dedicated to providing ELL services are not a common practice. Though the Evaluation Team appreciates the efforts taken by the applicant in this area, the response does not alleviate the concerns regarding IMAG Academy's ability to meet the needs of ELL students, especially given the high population of ELL students in the Waipahu Complex Area in which the applicant would operate.

Organizational Plan

The applicant responded to the Evaluation Team's concern that the entirety of the start-up plan is based on the efforts of one person by stating that it is the applicant's opinion that one person, along with a committee/task force team, could successfully open a charter school. The Evaluation Team does not agree with this viewpoint and stands by the conclusion that the organizational plan does not provide a sound plan for the development of the school during its pre-opening phase.

In regards to professional development, the Evaluation Team concluded that the outline for teacher training prior to the school's opening is inadequate and the proposed professional development strategies do not support teachers in differentiating their teaching and are not connected to a comprehensive system that supports all teachers. The applicant responded with a description of its professional development schedule, which calls for five days more than allowed by current collective

bargaining agreements, and by reiterating that the applicant's professional development goal is to provide the proper level of knowledge and skill to teachers to understand, do, and improve in their position and profession. The applicant also acknowledges that a process to implement an induction program had yet to be developed. As such, the Evaluation Team stands by the conclusion that the applicant's professional development plan is inadequate.

Financial Plan

The Recommendation Report concludes that the application falls far below the standard due to numerous factors, which include unrealistic staffing costs, a dependence on significant grant funding to balance the applicant's budget, and the absence of a sound contingency plan. In the response, the applicant states that the staffing costs presented in the budget represent the ideal situation and true picture of the desired organization; however, the applicant acknowledges that if the desired funding was not received then reductions in personnel, along with facilities, would be necessary. The applicant acknowledges that in Year 1, 91% of the per-pupil allocation would be needed for personnel costs, a figure that the applicant argues is acceptable. Again, the Evaluation Team does not agree with the viewpoint of the applicant on this issue and reiterates its conclusion that the financial plan is not realistic.

The applicant's staffing plan and overall budget is dependent on receiving significant grant funding, which the applicant acknowledges in the response but argues that grants are the only large funding opportunities available to the applicant since IMAG Academy is not backed by private or business donors. As such, the applicant cannot dispute the fact that the financial plan cannot be implemented without significant grant funding. The Evaluation Team concluded that this is a fatal flaw in the application, as the budget is predicated on a major assumption, the receipt of $420,000 in grant funding. The Evaluation Team could not accept this assumption, which resulted in the falls far below rating that the applicant received for the financial plan.

The Applicant Response also reiterates that the contingency plan is provided in the application. In the Recommendation Report, the Evaluation Team's conclusion is not that the application does not provide a contingency plan; rather, it is that the application does not provide a sound contingency plan, as the plan provided simply reduces the amount of grant funding the applicant would receive. In the response, the applicant acknowledges and confirms that the receipt of grant funding is needed for start-up activities. As such, the Evaluation Team stands by its conclusion that IMAG Academy's financial plan falls far below the standard.

New information not considered by the Evaluation Team

The Applicant Response includes a minimal amount of new information that is not included in IMAG Academy's application. The Evaluation Team did not consider the survey of four current charter school directors relating to the salary per seat ratio.

The Evaluation Team appreciates the effort and dedication the applicant has shown throughout the application process.