

## DEPARTMENT OF EDUCATION

The Townsend Building 401 Federal Street Suite 2 Dover, Delaware 19901-3639 DOE WEBSITE: http://www.doe.k12.de.us Mark T. Murphy Secretary of Education Voice: (302) 735-4000 FAX: (302) 739-4654

April 23, 2015
Via email attachment

Matthew J. Urban Chair, Board of Directors Delaware Design-Lab High School 179 Stanton Christiana Road Newark, DE 19702

Dear Mr. Urban:

Please be advised that, for the reasons set forth below and with the assent of the State Board of Education, the Department of Education ("Department") has placed the charter of Delaware Design-Lab High School on Formal Review, pursuant to Title 14, Delaware Code, Section 515(b), to determine whether the school is violating the terms of its charter and, if so, whether to order remedial measures.

The school was approved to open grades 9 and 10 with an enrollment of 300 students. However, unit count information submitted April 1, 2015 included students enrolled in grades 9 and 10 with a total enrollment of 137 student, or 46% of the total authorized enrollment. Title 14, Delaware Code, Section 506(c)(1) requires that, on or before April 1 of each school year, a charter school shall have enrolled, at a minimum, 80% of its total authorized number of students. This requirement was also imposed as a condition upon the approval of the charter. The Board of Directors signed an assurance document, ensuring that "by April 1 each year the school [would have] enrolled at least 80% of the total authorized number of students and that it [would have] notified each school district of information about enrolled students." Additionally, this requirement was discussed by the charter holder in the approved charter application.

This is the second year that this requirement was not met. Under the original charter, Design-Lab was scheduled to open in August 2014. Unit count information submitted April 1, 2014 included students enrolled in grades 9 and 10 with a total enrollment of 77 students, or 25.6% of the total enrollment. On April 17, 2014, Design-Lab submitted an application for a minor modification to delay its start date one year. Until that action was taken, the Department had planned to seek the assent of the State Board of Education to place the charter on formal review.

A student enrollment number so far below the total authorized enrollment and 80% minimum raises concerns about whether the school will be financially viable. It also raises concerns about whether many areas of the approved charter application can be implemented with fidelity – these include, but are not limited to: plans for curriculum and education delivery, plans to serve students with special needs, plans to maintain economic viability and plans for administrative and financial operations. In addition, this situation raises concerns about the capacity of both the leadership team and the management company to start and operate a charter school. Finally, there are concerns because Design-Lab is in this situation for a second consecutive year.

Please also be aware of the provisions of 14 Del. Admin. C. § 275.5.2, which states: "Compliance with the charter, including compliance with the terms of any conditions placed on the charter, is a condition precedent to the authority to open and operate the Charter School. Failure to comply with the terms of the charter and any conditions placed on the charter, including deadlines, operates as a forfeiture of the authority to open the Charter School regardless of previous approval. These regulations are incorporated into and made a part of each charter approved by the Department with the consent of the State Board. A Charter School's failure to comply with these regulations shall be treated as a failure on the part of the school to comply with its charter." The current situation constitutes a failure to comply with the terms of the charter the Department approved and therefore is a forfeiture of the authority to open the Charter School.

This matter will be referred to the Charter School Accountability Committee (CSAC) for review and recommendations. Enclosed, please find a timeline for this process, including dates of CSAC meetings and public hearings. Please note that there is a May 5 deadline for a revised budget and organizational chart, which should be developed based on the final May 1 enrollment count. These documents, and any other materials you wish the CSAC to review, should be submitted by the Charter School Office to infocso@doe.k12.de.us.

If you have any questions, please contact me at (302) 735-4020 or Jennifer.Nagourney@doe.k12.de.us.

Sincerely,

Jennifer Nagourney

Executive Director, Charter School Office

cc: Dr. Christina Alvarez, School Leader, Delaware Design-Lab High School

Mark Murphy, Secretary of Education

David Blowman, Deputy Secretary of Education