

FINAL
School District of the City of York, Pennsylvania
School Board Meeting
Monday, June 5, 2017
Regular, 6:00 o'clock PM, E.D.S.T.

I. CALL TO ORDER

II. ROLL CALL

- Moment of Silent Reflection
- Pledge to the Flag

III. PUBLIC COMMENT ON AGENDA ITEMS ONLY

IV. ITEMS OF INITIAL CONCERN

V. SUPERINTENDENT'S REPORT

Helen Thackston Update Presentation – Allison Petersen (attachment 1)

VI. COMMITTEE REPORTS - REPORT ITEMS ONLY

A. Report of the Chief Recovery Officer – Dr. Carol Saylor

B. Report of Board Representatives

1. Community Progress Council
Ms. Lulu Thomas
2. Lincoln Intermediate Unit
Mr. Michael Miller
3. PSBA Legislative Advocacy Representative Report
Mrs. Juanita Kirkland
4. York County School of Technology
Mrs. Lois Garnett
5. York / Adams Tax Bureau
Mr. Richard Snodgrass
6. Dollars for Scholars
Mr. David Moser
7. York/Joint LIU Authority
Ms. Diane Glover Brown

VII. OTHER BUSINESS/PUBLIC COMMENT / MUST BE SIGNED UP TWO DAYS IN ADVANCE

VIII. ITEMS FOR DISTRIBUTION

IX. ADJOURNMENT

RESOLUTION

WHEREAS, the Board of School Directors of the School District of the City of York (“School District”) granted a Charter to the Helen Thackston Charter School (“HTCS”) based upon a charter school application (“application”) submitted on or around November 15, 2008;

WHEREAS, HTCS commenced operations during the 2009-2010 school year;

WHEREAS, following a comprehensive review of HTCS’s operations during the initial Charter term, the School District administration determined that a renewal of HTCS’s charter was warranted but identified a few concerns regarding HTCS’s student academic performance, HTCS’s compliance with the material terms of its Charter and other operational issues;

WHEREAS, as a result of those concerns, the School District’s Board of School Directors (“School Board”) and HTCS’s Board of Directors (“Charter Board”) agreed to enter into a Renewal Charter containing conditions for HTCS’s performance during a five-year renewal term, and each board approved and executed the Renewal Charter during the 2013-2014 school year;

WHEREAS, HTCS has been operating under the Renewal Charter since July 1, 2014;

WHEREAS, on February 15, 2017, following a presentation at a public meeting by the School District’s administration regarding various concerns and deficiencies that had arisen with HTCS since its renewal and after giving HTCS an opportunity to respond, the School Board adopted a Resolution directing HTCS to take certain actions and submit certain documentation; and

WHEREAS, based upon its continuing review of HTCS’s operations, the information submitted by HTCS before and after adoption of the February 15, 2017 Resolution, and new information that has come to the attention of the School District, the School District administration recommends that the School Board take steps to revoke HTCS’s charter;

BE IT RESOLVED, the Board hereby authorizes the initiation of revocation proceedings against HTCS pursuant to 24 P.S. § 17-1729-A(a), and adopts the following grounds in support of the revocation of HTCS’s charter:

1. Material violations of the conditions, standards or procedures contained in HTCS’s Renewal Charter:
 - A. HTCS has failed to meet the student performance standards set forth in Conditions 6.h. and 6.i. found in Paragraph 6 of the Renewal Charter, which contains various conditions for renewal. (Paragraph 6 will hereinafter be referenced as “Condition 6”). By way of example and not limitation:
 - i. HTCS has not shown consistent improvement in its students’ performance in Reading and Math (or Science) on the PSSA and Keystone Exams each

year and/or has not shown increases in proficiency percentages in conformance with the percentages and requirements set forth in Condition 6.

- ii. HTCS's School Performance Profile ("SPP") score has not consistently improved from year to year. At the time of renewal in February 2014, as reported for the 2012-2013 school year, HTCS's SPP score was 57.5 out of approximately 100. Since renewal, HTCS's SPP score has fallen to 45.8, 36.6 and 37.9, respectively, based upon the State-reported data for the 2013-2014, 2014-2015 and 2015-2016 school years.
 - iii. HTCS did not meet all of the Pennsylvania Value-Added Assessment System ("PVAAS") Indicators of Academic Growth during the 2013-2014, 2014-2015 and 2015-2016 school years, as reported in the SPP accountability system, and did not meet the Pennsylvania standard for growth as measured by the Average Growth Index ("AGI") in all subject areas in 2014-2015 and 2015-2016.
 - iv. HTCS did not meet the State's graduation measure in 2015-2016. HTCS's reported cohort graduation rate for the 2015-2016 school year was 59.62%.
 - v. In response to the February 15, 2017 Resolution adopted by the School Board, by February 24, 2017 (or thereafter), HTCS failed to provide sufficient information to the School District identifying the programs, initiatives, staffing, supports and endeavors that had been put into place during the 2016-2017 school year aimed at improving the academic performance, academic growth, graduation rate and vocational skills and training of HTCS students. The only document provided was a professional development calendar for 2016-2017, which did not address how success would be measured or who is responsible for measuring success, as required by the School Board Resolution. The failure to comply with this requirement was brought to the attention of HTCS's legal counsel in a March 21, 2017 letter, but additional information has never been provided.
- B. HTCS failed to implement and/or maintain the Homeland Security curriculum, partnerships and programming set forth in its application and required under Condition 6.a. of the Renewal Charter. Despite the directives given to HTCS by the School Board in its February 15, 2017 Resolution, HTCS failed to satisfactorily rectify the deficiencies set forth in the Resolution. For example, none of the clubs or extracurricular activities proposed for the 2017-2018 school year relate to Homeland Security, as reflected in Appendix G of the Renewal Charter. HTCS has not maintained or reinstated the "basic training" or brigade structure required under the Renewal Charter. HTCS failed to develop and maintain the Homeland Security partnerships with law enforcement, military services, government agencies, contractors, etc., as described in the application and Renewal Charter. None of the memoranda of understanding

submitted since February 2017 provide evidence of such partnerships or programming during the 2016-2017 school year or proposed for the 2017-2018 school year.

- C. HTCS failed to administer a survey to measure its school community's strengths and needs during the 2014-2015 school year, as required under Condition 6.j. in the Renewal Charter. The School Climate Survey administered for the 2016-2017 school year (provided on May 15, 2017) does not comply with Condition 6.j., in that the survey was not conducted by either the Harris Poll School Pulse Survey or the Comprehensive School Climate Inventory; it does not indicate the number or percentage of students, staff or parents/guardians who participated in the survey; and does not include the complete report generated by the survey company.
2. Failure to meet the requirements for student performance as set forth in 22 Pa. Code Chapter 4 and/or the written charter.
- A. The academic performance of HTCS's students in Math/Algebra I, English Language Arts/Literature and Science/Biology has not consistently or substantially improved since the 2012-2013 school year, based upon HTCS's proficiency percentages on the PSSA and Keystone Exams. The Pennsylvania standard for academic growth, as measured by PVAAS and AGI, has not been met in all subject areas for students in grades 6-8 and grade 11 in the 2014-2015 and 2015-2016 school years.
 - B. HTCS has failed to meet the academic performance standards set forth in its Renewal Charter, as outlined in detail above.
 - C. HTCS breached test security for required State assessments by failing to return fourteen (14) Keystone Exam biology test booklets and 14 biology answer booklets for the 2016-2017 Winter Keystone Exam testing period. HTCS staff did not initially respond to inquiries from the Data Recognition Corporation, a contractor of the PDE, about the missing materials. When contacted by PDE, HTCS could not provide shipping information and tracking numbers for the missing Keystone Exam materials, in violation of PDE protocol. The fourteen Keystone Exam test booklets and answer booklets remain missing, to the best of the School District's knowledge and belief.
3. Violations of provisions of the Charter School Law or of any other provisions of law which the charter school has not been exempted.
- A. HTCS failed to file its Annual Reports for the 2013-2014 and 2014-2015 school years by August 1, 2014 and August 1, 2015, respectively, in violation of 24 P.S. § 17-1728-A(b). Annual Reports for those two school years were not filed with the PDE or the School District until on or about August 1, 2016, but were incomplete when filed. Attachments referenced in those reports were not

supplied to the School District until February 2017. These violations are also violations of Paragraph 19 of the Statement of Assurances attached as Appendix E to the Renewal Charter.

- B. HTCS failed to meet the 100% highly qualified teacher (“HQT”) requirement of the No Child Left Behind Act in each of the 2013-2014, 2014-2015 and 2015-2016 school years and/or failed to report sufficient information to the PDE regarding the qualifications of its teachers during those school years. HTCS failed to report information about the percentage of classes taught by HQTs in each of those years. These violations are also violations of Condition 6.g. of the Renewal Charter and Paragraph 26 of the Statement of Assurances attached as Appendix E to the Renewal Charter.
- C. HTCS failed to meet the 75% professional staff certification requirement during the 2014-2015 school year, in violation of 24 P.S. § 17-1724-A(a). This violation is also a violation of Paragraph 26 of the Statement of Assurances attached as Appendix E to the Renewal Charter.
- D. During the 2014-2015 school year, an ESL teacher (J.D.) did not hold a specialist certificate in English as a Second Language.
- E. During the 2015-2016 school year, two special education teachers (T.L. and K.S.) did not have any certification information on file at HTCS.
- F. During the 2016-2017 school year, at least one special education teacher (G.S.) was not appropriately certified as a special education teacher for grades 9-12. Another staff member (S.K.) offered English Language Learner remediation but did not hold a specialist certificate in English as a Second Language.
- G. HTCS failed to collect clearances and child abuse background checks (collectively referred to as “clearances”) from all employees and individuals having direct contact with students, in violation of 24 P.S. §§ 1-111, 17-1719-A(15) and (16), 17-1729-A(b) and 23 Pa.C.S.A. § 6344. Based upon a review conducted during the Spring of 2017:
 - i. None of the Charter Board members had clearances on file, other than a child abuse clearance form for board member, D.N.
 - ii. For the 2016-2017 school year, FBI clearances were missing, incomplete or expired for 16 employees or contractors; State Police criminal background checks were missing, incomplete or expired for 8 employees or contractors; and child abuse clearance forms were missing, incomplete or expired for 6 employees or contractors.
 - iii. For the 2015-2016 school year, FBI clearances were missing for 9 employees or contractors; State Police criminal background checks were

missing for 9 employees or contractors; and child abuse clearance forms were missing for 9 employees or contractors.

- iv. For the 2014-2015 school year, FBI clearances were missing or incomplete for 10 employees or contractors; State Police criminal background checks were missing for 12 employees or contractors; and child abuse clearance forms were missing or expired for 14 employees or contractors.
- H. HTCS has allowed an individual (F.H.) with a felony conviction to serve as a member of the Board of Trustees, in violation of 24 P.S. § 17-1729-A(b).
- I. Minutes from the Charter Board do not reflect the Charter Board having taken action at a public meeting regarding the recent separation from employment of HTCS's Principal and Business Manager in violation of the Sunshine Act and 24 P.S. § 17-1716-A(a). The School District was told that the Business Manager was terminated on February 24, 2017, and that the Principal was terminated on March 26, 2017, but the publicly available board minutes on HTCS's website from March 23, 2017 and April 27, 2017 do not reflect such actions, or the ratification thereof. Nor do either set of minutes reflect the hiring or appointment of Melissa Achuff as Interim Principal, a title used to reference her in the March 23, 2017 minutes.
- J. HTCS violated the Wage Payment and Collection Law, 43 P.S. § 260.3(b), and the Charter School Law, 24 P.S. § 17-1724-A(c), by failing to timely remit employee and employer contributions to the alternative 403(b) retirement plan during the 2015-2016 and 2016-2017 school years. Despite receiving approval to offer an alternative retirement plan and despite deducting 5% of salary from each participating employee who began employment on or after July 1, 2015, HTCS did not pay over the deducted funds, or any matching employer contributions, to the 403(b) plan within the time frame required by law. From July 1, 2015, through at least April 7, 2017, HTCS never made any payments to the 403(b) plan even though it owed more than \$275,000 in unfunded employee and employer contributions to the 403(b) plan for that timeframe. Due to HTCS's failure to fund the 403(b) plan, HTCS has deprived current and former employees who participated in the plan of a portion of their compensation as well as the investment income that could have been earned on their contributions and the employer match had contributions been deposited in a timely manner.
- K. HTCS violated 24 P.S. § 17-1724-A(c) and 24 Pa.C.S. § 8327(a) by failing to remit payments to the Public School Employees Retirement System ("PSERS") within the time frame required by law. As a result of HTCS's failure to remit, the PDE withheld the School District's State payments during the 2015-2016 and 2016-2017 school years on six occasions in the total amount of \$744,284.44. The most recent withholding in the amount of \$73,623.93 was

taken out of the School District's June 1, 2017 Basic Education Funding payment.

- L. Public employees and officials at HTCS failed to file Statements of Financial Interest for 2015 by the deadline set forth in the Public Official and Employees Ethics Act ("Ethics Act"), 65 P.S. §§ 1104, 1105. Specifically, only 1 board member filed a Statement of Financial Interest for 2015 and no public employees filed such Statements in 2015. Board member K.S. did not file a Statement of Financial Interest for 2016 by the deadline of May 1, 2017, based upon information provided to the School District in mid-May, 2017.
 - M. HTCS and the members of its Board of Trustees violated the Ethics Act during the 2013-2014 school year by contracting with a company – GeoSource Capital – that was owned and/or controlled by one of HTCS's board members (M.M.). That entity contracted with HTCS allegedly to provide Homeland Security services to HTCS at an annual cost of over \$130,000. Specifically, the interested board member failed to disclose his ownership interest on his Statements of Financial Interest; failed to disclose the conflict of interest at the board meeting when the contract was adopted; and failed to abstain from voting on the contract or otherwise comply with 65 P.S. § 1103(j), causing the School District and the public to be unaware of these improper and illegal dealings. The School District only learned of this information following the adoption of the February 15, 2017 Resolution. On March 21, 2017, the School District asked HTCS to provide copies of all contracts with GeoSource Capital and to do so by no later than April 7, 2017. HTCS's counsel indicated on April 7, 2017, that such a contract could not be found and has been requested from GeoSource Capital. No contract has yet been provided.
4. Failure to meet generally accepted standards of fiscal management or audit requirements.
- A. Independent financial audits of HTCS's operations have not been completed, filed or supplied to the School District for the years ending June 30, 2014; June 30, 2015; and June 30, 2016, in violation of audit requirements found in 24 P.S. §§ 2-218, 4-437, 17-1719-A(9). These violations are also violations of Paragraph 18 of the Statement of Assurances attached as Appendix E to the Renewal Charter. These deficiencies have not been rectified since the adoption of the February 25, 2017 Resolution.
 - B. Internal Revenue Service ("IRS") Forms 990 have not been completed or filed with the IRS by HTCS for the years ending June 30, 2014; June 30, 2015; and June 30, 2016. These deficiencies have not been rectified since the adoption of the February 25, 2017 Resolution.
 - C. The IRS revoked HTCS's 501(c)(3) status as a result of HTCS's failure to file Form 990s for three consecutive years, and such status has not been reinstated.

- D. HTCS did not produce any attendance protocols or other policies, procedures or information about the system in place during the 2014-2015, 2015-2016 and 2016-2017 school years to report and confirm daily attendance, to reconcile attendance data with the bills issued to the School District and to trigger truancy letters to parents/students and truancy notifications to the School District. The School District initially requested such information from HTCS via letter dated September 21, 2016, as a result of concerns raised about the accuracy of billings during those school years. When HTCS failed to produce such information, the School Board directed HTCS, in the February 15, 2017 Resolution, to provide such information by no later than February 24, 2017. HTCS did not provide any of the requested information.
- E. HTCS failed to timely pay creditors in accordance with general accepted fiscal practices. More specifically:
- i. HTCS failed to make employee and employer contributions to PSERS, as described in detail above.
 - ii. HTCS failed to make employee and employer contributions to the 403(b) plan, as described in detail above.
 - iii. Beginning in the 2015-2016 school year, HTCS failed to make rental and other payments to its landlord, CSP-York, LLC, in the amounts required under the commercial lease executed in 2012. CSP-York, LLC, has filed an ejectment action against HTCS in the Court of Common Pleas of York County, seeking more than \$1.2 million in back rent and other remittances due under the lease.
 - iv. HTCS owes over \$1 million to EdisonLearning for services that occurred prior to renewal of its Charter, and has not made any payments to EdisonLearning since the 2013-2014 school year. Following HTCS's charter renewal, HTCS failed to make payments to EdisonLearning towards the balance due.
 - v. HTCS failed to make payments to Catapult Learning and/or Newton Alliance towards the balance due of over \$200,000 for services rendered prior to July 1, 2015.
 - vi. A municipal tax claim was filed against HTCS by the York County Tax Claim Bureau on or about May 8, 2017, claiming that HTCS failed to pay \$333.53 for the property located at 625 E. Philadelphia Street. The tax claim seeks a total of \$392.85 to cover the claim, interest and filing fee.

BE IT FURTHER RESOLVED that commencing on or around August 1, 2017, the School Board shall conduct public hearings on the revocation of HTCS's Charter, at which time the School District will present evidence in support of the grounds for revocation set forth herein, and HTCS

will be given a reasonable opportunity to present witnesses and evidence in support of its defense, pursuant to 24 P.S. § 17-1729-A(c); and be it

FURTHER RESOLVED, that, for purposes of the revocation hearing, the School Board authorizes the appointment of a hearing officer to: (1) preside at and regulate the conduct and course of the public hearing(s) pursuant to the Charter School Law, 24 P.S. § 17-1729-A, and the Local Agency Law, 2 Pa.C.S.A §§ 551 *et seq.*; (2) administer oaths and affirmations; (3) issue subpoenas; (4) make all necessary evidentiary rulings, receive evidence and establish a briefing schedule; (5) hold appropriate conferences before or during the hearings; (6) dispose of procedural matters and motions made during the hearings; (7) take other action necessary or appropriate to the discharge of duties consistent with statutory or other authority; and (8) certify the record and prepare proposed findings of fact and conclusions of law and a proposed Adjudication to the Board within thirty (30) days of the completion of the hearing process, including the submission of briefs from the parties; and be it

FURTHER RESOLVED, that the School Board shall take formal action regarding the revocation of the Charter following the hearing, receipt of the proposed findings of fact and conclusions of law and recommendation from the hearing officer, and passage of at least thirty (30) days for the public to provide comments, the timing of which may occur simultaneously with any of the proceedings described above; and be it

FURTHER RESOLVED, that the School Board authorizes Levin Legal Group, P.C., to represent the School District in the presentation of evidence in support of the grounds for revocation; and be it

FURTHER RESOLVED, that the School Board President, in consultation with the School Board's Solicitor, shall promptly identify and appoint a hearing officer to preside over the revocation hearing process.