

LITTLE ROCK SCHOOL DISTRICT

OFFICE OF THE SUPERINTENDENT

February 3, 2016

Arkansas Department of Education Charter Authorizing Panel Four Capitol Mall Little Rock, AR 72201

Re: LISA Academy and eStem Public Charter School Amendment Requests

Ladies and Gentlemen:

The enclosed memorandum is written in response to the pending charter amendment requests of LISA Academy and eStem Public Charter School. Please include the memorandum and exhibits in the submissions for both requests. My role as superintendent of Little Rock School District ("LRSD") requires that I consider the best interests of the LRSD with respect to all of my actions. My intent with the enclosed memorandum is to present facts which generally speak for themselves. These facts are critical to your analysis and decision.

The analysis is made more definitive because the charter schools involved have actual operating histories, and because it is fair to assume that they will continue on the trajectories which they are on at this time.

Thank you very much for your consideration of the enclosed memorandum.

Sincerely yours,

H. Baker Kurrus

Superintendent of Schools

4. Bom Kurrus

Memorandum

To: Arkansas Department of Education Charter Authorizing Panel From: Baker Kurrus, Superintendent, Little Rock School District

Date: February 2, 2016

Re: Charter Amendment Requests for eStem Public Charter School ("eStem") and LISA Academy

("LISA"), and Desegregation Analysis

INTRODUCTION. LRSD is under the control of the Arkansas Department of Education ("ADE"). ADE also controls Pulaski County Special School District, and all of the 21 or so charter schools in Pulaski County. ADE also controls the Virtual Academy, headquartered here. Jacksonville is likewise under some degree of State control, until at least July 1, 2016. In short, ADE controls all of the school districts in Pulaski County except North Little Rock. It is relatively easy for me to assess the conditions that exist in LRSD today with respect to academic performance, facilities, staffing, budgeting, transportation and the like. If only current conditions are considered, the options in LRSD are becoming more clear.

It is much more challenging to address the potential problems that are on the horizon for LRSD. LRSD needs to make decisions today that meet the challenges of the future. If current decisions fail to take into account dynamic long-range changes, then the solutions for today's problems will not meet future needs. Good leaders solve problems by anticipating them, and having solutions in place when the issues materialize.

I. A COMPREHENSIVE PLAN IS NEEDED FOR EDUCATION IN PULASKI COUNTY.

As I try to meet both the daily demands of this position and try to address the problems of the future, I am challenged by the fact that there is no comprehensive plan for the provision of public education in Pulaski County. This makes planning for LRSD almost impossible. If the ADE expects to continue to approve new charters, LRSD needs to plan for this. Without a comprehensive longer-range plan, or at least some idea of the future plans that the ADE has for the school districts it controls, it is nearly impossible for LRSD to formulate a sensible plan.

Before I put forward more specific and detailed ideas, I think it would be helpful to describe a few of the principles which influence my current thinking.

It will be very difficult to sustain LRSD, or any school district, unless the district is broadly supported in its community.

A school district which fails to attract and retain a broad base of students will have an increasingly difficult challenge meeting test score requirements which do not take poverty into account. School districts grow much more efficiently than they shrink.

The State Board of Education has studied the configuration of school districts in our county. The State Board found that one district south of the Arkansas River would be the preferred

configuration. There is, however, no apparent timetable for this development, and no clear plan to fund this. LRSD needs to know what else ADE has planned with respect to charter expansion, charter closure, and the coordination of the districts it controls.

Little Rock School District has excess capacity in schools in some areas, and very little capacity in others. Little Rock has many serviceable but aging facilities which need to be considered for replacement or refurbishing.

We must remember that LRSD is in academic distress. Today's pressing problem is student failure in some classrooms. Despite all of the issues that exist, the foremost concern for our students must be the urgent need to impart knowledge in the classroom today.

II. CURRENT CHARTER ENVIRONMENT.

There are now 13 charter schools within the boundaries of LRSD. Pulaski County has 21 open enrollment charter schools, not including the Arkansas Virtual Academy which is based in Pulaski County. These schools comprise 53% percent of total number of charter schools (Exhibit A). More importantly, these charter school districts enroll about 53% percent of the total number of charter school students in Arkansas. With the proposed increases, these charter schools within Pulaski County would enroll about 62% of the total number of charter school students in Arkansas.

Several of these charter organizations have, in essence, become competing school districts. LISA states that it requires the amendments to its charter to "complete the missing piece in a unified school system for K-12 education in West Little Rock." The eStem and LISA charter organizations are, by Arkansas standards, fairly large schools districts. For example, eStem has a current enrollment of 1,462, and is larger than 178 Arkansas school districts. LISA has 1,525 students, and is larger than 179 other school districts. The four schools operated by Responsive Education Solutions have a combined enrollment of 958. These pending amendments would raise the number of students at LISA and eStem by 2,957. eStem would then be larger than 233 school districts in Arkansas. If eStem meets its growth objective to enroll 5,000 students, it would be the 17th largest school district in Arkansas. I am not aware of any of its waivers that have been so effective as to cause a change in ADE policy or practice.

The general population in Little Rock School District is not growing in any substantial way. Much of the western part of the city of Little Rock is not located in the LRSD. Metroplan has provided me with very helpful data that shows estimated population trends. Metroplan estimates that the population within LRSD grew by an estimated .7 percent per year (.007) over the period from 2010 to 2015. Growth of charter enrollment will reduce the size of LRSD, and will dramatically change the demographics of LRSD.

III. IMPACT ON LRSD.

As a simple matter of mathematics, if LISA and eStem are successful with their announced plans, LRSD has to plan for a much smaller enrollment. Not only will LRSD's enrollment be much smaller, it will be different demographically. If the pending expansion applications of eSTEM and LISA are granted, and if these schools continue to enroll students who are similar to the ones those schools currently enroll, the racial balance in LRSD changes, the percentage of students in poverty increases, and the percentage of special education students increases. These important considerations are shown on Exhibit B. If the charter expansions of eStem and LISA are approved, and those schools enroll 75% of their new students from LRSD in the same percentages as they currently do, LRSD's white population goes down by 22%. If all the students come from LRSD, the white population drops by almost 30%. Poverty and special education population percentages rise with every expansion of LISA and eStem, because they do not enroll these students at the same levels as LRSD.

In summary, if eStem and LISA continue to enroll students with their current demographics, LRSD becomes more segregated by race and income, and has a higher percentage of students with special needs.

It will be much more difficult to exit from academic distress in this environment. As more of the higher achieving students are lost, a greater number of non-proficient students must be raised to proficiency in order to meet the exit threshold percentage.

IV. COMPETITION AND CHOICE.

Competition and choice have been a part of the landscape in Little Rock for many years. Policies which promote fair competition and informed choice are beneficial to all concerned, especially if there is a plan which minimizes the expense of massive duplication. Actions which do not promote fair competition or informed choice, or actions which result in negative segregative impacts, should be avoided. Actions which result in huge public and private investment, and which ultimately strand much of that investment in the form of excess capacity, should be avoided.

Attached as Exhibit C is a chart showing the relative poverty rankings, based on free and reduced-price lunch qualification ("FRPL"), and the percentages of students who are proficient and advanced, from the public elementary schools. This chart shows that eStem and LISA are among the most wealthy schools in the area. By itself, and without State action, the existence of a relatively wealthy school is not indicative of anything other than demographics and housing patterns. However, the creation of school systems which result in economic segregation should be considered very carefully. eStem and LISA have a lower percentage of FRPL students than all but three of LRSD's elementary schools. They are slightly more affluent than Fulbright, which serves a relatively wealthy school zone.

Little Rock Preparatory Academy is in the upper income range when compared to LRSD schools. The surrounding LRSD schools have higher FRPL percentages. LRSD schools with similar populations achieve at higher levels than the charters.

The causes of the economic segregation, which tends in Little Rock to follow racial lines, are apparent in both current practice and in the plans outlined in the pending applications. eStem and LISA are located where parents must drop their students off or arrange transportation for their students. This lowers the poverty percentages to about half of the LRSD average. It is appropriate to note that the eStem and LISA expansions are planned for areas which have expensive real estate. If the purpose is to educate students of greatest need who otherwise are not achieving (as the charter statute states), then the appropriate location would be in a higher poverty area, where real estate tends to be less expensive. The proposed location of the eStem on Shall Street, at an annual rental of \$1,040,000, is especially perplexing. LRSD already has a large surplus of available seats in the area, as shown on Exhibit D. LRSD has approximately 1,994 excess seats when measured by the students who actually reside in the surrounding zones. LRSD buses over 1,000 students a day to the area and still has almost 1,000 open seats available now. LRSD does not wish to fill these seats with policies that promote segregation, by race, economics or physical condition.

eSTEM has announced a partnership with the University of Arkansas to house a high school on the UALR campus.

The chart attached as Exhibit B shows the current populations of special education students enrolled at LRSD, LISA and eStem. The chart speaks for itself, but it simply must be noted that LRSD has almost twice the percentage of students with special needs as does LISA or eStem. The comparative levels of disability of all of these students needs further study.

Competition is certainly valuable in many ways, but it must be fair. LISA and/or eStem seek waivers of class size limits, licensure and related disclosure, basic employee protections afforded to teachers in Arkansas, and the like. The request to waive class size limits proves the point that the students who are enrolled are much different fundamentally from the average students who attend public schools in Arkansas.

It is hard to argue against competition and choice. However, the competition needs to be fair, and people need to make informed choices based on permissible discriminators.

In addition, the competition is not being held under similar rules. Charters simply do not enroll poor kids or disabled kids at a rate which approaches the rates in most schools in LRSD.

Charters which enroll lower numbers of poor and disabled students have higher average test scores than schools with high numbers of low-income students. That is certainly the case almost everywhere. Public charters in Little Rock that enroll low income students struggle. One of the most poignant aspects of my planning analysis is that the closure of a failing charter will further compound LRSD's challenge, because these students in failing charters will probably come back to LRSD. In the meantime, if some charters continue to under-enroll students of greatest need, the challenge faced by LRSD becomes monumental. The obligation to provide a free and adequate education for all students ultimately falls on the State of Arkansas, so the issues in question are tremendously important.

V. CONCLUSION.

No matter how anyone feels about competition and choice, we still need to make the best planning decisions possible.

Until there is a comprehensive plan for the provision of public education in Little Rock and Pulaski County, it will be almost impossible to formulate a long-range plan for LRSD's staffing and facilities needs. It is clear that a new southwest Little Rock high school is needed, and the west Little Rock middle school will be in high demand. In other areas, the decisions depend on the State's actions with respect to charterization and privatization. I suggest we take a step back, and form a comprehensive plan for educating children in our county. As the controlling entity for most of the county's districts, the ADE should take the lead role.

If you celebrated the life of Dr. Martin Luther King, Jr. recently, I urge you to re-read the letter from a Birmingham jail, especially the part where he said, "Whatever affects one directly, affects all indirectly." He was right, especially when it comes to Pulaski County public education. Before actions are taken which result in huge expenditures of public money, there should be a plan drawn by the controlling and funding entity, with the collaboration of those impacted.

Respectfully submitted,

H. Baker Kurrus

EXHIBIT A

Enrollment Count by Charter School (2015-2016)

Charter School Location Key:

Little Rock School District zone

Pulaski County

State (Outside of Pulaski Cty.)

	ID	Location Descrtiption	Total Enrollment	Proposed Enrollment
1	6044702	COVENANT KEEPERS CHARTER	171	
2	6047701	ESTEM ELEMENTARY SCHOOL	490	
3	6047703	ESTEM HIGH CHARTER	499	
4	6047702	ESTEM MIDDLE SCHOOL	473	
5	6055702	EXALT ACADEMY OF SOUTHWEST LITTLE ROCK	233	
	6041702	LISA ACADEMY	484	
_	6041703	LISA ACADEMY HIGH	341	
	6049701	LITTLE ROCK PREP ACADEMY ELEMENTARY	312	
_	6049702	LITTLE ROCK PREP ACADEMY	118	
_	6053703	PREMIER HIGH SCHOOL OF LITTLE ROCK	116	
_	6054703	QUEST MIDDLE SCHOOL OF LITTLE ROCK	231	
	6057701	ROCKBRIDGE MONTESSORI CHARTER SCHOOL	111	
	6052703	SIATECH HIGH CHARTER	166	
13	0002700	Total Charter Enrollment in LRSD zone	3,745	6,702
14	6056701	CAPITOL CITY LIGHTHOUSE LOWER ACADEMY	297	0,102
	6050703	JACKSONVILLE LIGHTHOUSE COLLEGE PREP ACADEMY HIGH	425	
	6050701	JACKSONVILLE LIGHTHOUSE ELEMENTARY	389	
_	6041701	LISA ACADEMY NORTH ELEMENTARY CHARTER SCHOOL	356	
	6041706	LISA ACADEMY NORTH HIGH CHARTER SCHOOL	118	
	6041705	LISA ACADEMY NORTH MIDDLE CHARTER SCHOOL	226	
	6040702	MAUMELLE CHARTER ELEMENTARY	493	
_	6040703	MAUMELLE CHARTER HIGH SCHOOL	360	
		Total Charter Enrollment in Pulaski County (Incl. LRSD zone)	6,409	9,366
22	0440701	ARKANSAS ARTS ACADEMY ELEMENTARY/MIDDLE SCHOOL	532	3/300
	0440703	ARKANSAS ARTS ACADEMY HIGH SCHOOL	242	
24	6043703	ARKANSAS VIRTUAL ACADEMY HIGH SCHOOL	336	
25	6043701	ARK VIRTUAL ACADEMY ELEMENTARY	846	
26	6043702	ARK VIRTUAL ACADEMY MIDDLE SCHOOL	630	
27	7240703	HAAS HALL ACADEMY	352	
28	0443703	HAAS HALL ACADEMY BENTONVILLE	295	
29	3840701	IMBODEN AREA CHARTER SCHOOL	44	
30	5440706	KIPP BLYTHEVILLE COLLEGIATE HIGH SCHOOL	121	
31	5440701	KIPP DELTA ELEM LITERACY ACADEMY	393	
32	5440705	KIPP: BLYTHEVILLE COLLEGE PREP	259	
33	5440702	KIPP:DELTA COLLEGE PREP SCHOOL	310	
	5440703	KIPP:DELTA COLLEGIATE HIGH SCHOOL	256	
	0442702	NORTHWEST ARKANSAS CLASSICAL ACADEMY	497	
	0442703	NORTHWEST ARKANSAS CLASSICAL ACADEMY HIGH	54	
	7241701	OZARK MONTESSORI ACADEMY SPRINGDALE	136	
	3541703	PINE BLUFF LIGHTHOUSE COLLEGE PREP ACADEMY HIGH SCHOOL	38	
	3541701	PINE BLUFF LIGHTHOUSE ELEMENTARY	305	
40	3542702	QUEST MIDDLE SCHOOL OF PINE BLUFF	89	
		Total Arkansas Charter Enrollment:	12,144	15,101

EXHIBIT B

Potential LRSD Demographic Changes with Proposed Charter Expansions for LISA Academy and eStem

Current Demographic Information 2015- 2016	Enrollment	# F&R	% F&R	# Special Ed.	% Special Ed.	# White	% White	# Black	% Black
LITTLE ROCK SCHOOL DISTRICT	23164	17350	74.90%	2716	11.73%	4054	17.5%	15080	65.1%
ESTEM PUBLIC CHARTER SCHOOL	1462	462	31.60%	108	7.39%	626	42.8%	658	45.0%
LISA ACADEMY	1525	624	40.93%	100	6.56%	490	32.1%	563	36.9%

Change in LRSD Demographics if 100% of new charter students are from LRSD	Projected New Enrollment		% F&R	# Special Ed.	% Special Ed.	# White	% White	# Black	% Black
LITTLE ROCK SCHOOL DISTRICT	20207	16352	80.92%	2,502	12.38%	2850	14.1%	13796	68.3%
ESTEM PUBLIC CHARTER SCHOOL	3844								
LISA ACADEMY	2100								

Change in LRSD Demographics if 75% of new charter students are from LRSD	Projected New Enrollment		% F&R	# Special Ed.	% Special Ed.	# White	% White	# Black	% Black
LITTLE ROCK SCHOOL DISTRICT	20946	16601	79.26%	2556	12.20%	3151	15.0%	14117	67.4%
ESTEM PUBLIC CHARTER SCHOOL	3844								
LISA ACADEMY	2100								

EXHIBIT C

Elementary Schools: Affluence Rank, Literacy/Math Rank, and Academic Rank

School	Affluence Rank	Pov.%	Literacy Rank	Literacy Prof/Adv	Math Rank	Math Prof/Adv	Affluence & Literacy Rank Diff.	Affluence & Math Rank Diff.	Average Difference	Academic Rank
WAKEFIELD	29	96.55	22	64.89%	14	63.56%	7	15	11	1
STEPHENS	28	95.60	16	69.40%	18	59.70%	12	10	11	2
TERRY	13	84.32	8	82.07%	6	86.21%	5	7	6	3
MEADOWCLIFF	23	92.79	18	66.67%	16	61.90%	5	7	6	4
WILLIAMS	8	54.71	2	91.09%	3	90.10%	6	5	5.5	5
WASHINGTON	30	96.68	26	58.96%	23	57.23%	4	7	5.5	6
BRADY	22	92.24	12	75.51%	22	57.82%	10	0	5	7
BALE	20	91.27	19	65.58%	15	62.34%	1	5	3	8
CARVER	12	84.19	10	78.74%	10	79.31%	2	2	2	9
DODD	17	89.66	17	69.11%	13	65.04%	0	4	2	10
MABELVALE	21	91.56	14	71.85%	24	56.30%	7	-3	2	11
GIBBS	7	50.60	3	90.15%	8	84.09%	4	-1	1.5	12
ROCKEFELLER	27	94.72	24	63.87%	27	53.78%	3	0	1.5	13
FOREST PARK	1	26.02	1	97.64%	1	92.45%	0	0	0	14
WILSON	24	93.43	27	56.67%	21	58.33%	-3	3	0	15
ESTEM ELEMENTARY	5	40.58	7	84.15%	4	89.62%	-2	1	-0.5	16
FULBRIGHT	6	46.07	6	87.45%	7	85.02%	0	-1	-0.5	17
MCDERMOTT	18	89.80	20	65.27%	17	60.48%	-2	1	-0.5	18
ROBERTS	2	31.13	4	90.02%	2	91.56%	-2	0	-1	19
FRANKLIN	25	93.66	23	64.00%	29	44.00%	2	-4	-1	20
JEFFERSON	3	32.98	5	88.27%	5	87.76%	-2	-2	-2	21
PULASKI HEIGHTS	9	56.98	11	76.54%	11	75.00%	-2	-2	-2	22
WATSON	26	93.95	30	51.36%	26	55.43%	-4	0	-2	23
OTTER CREEK	10	81.04	13	74.60%	12	74.70%	-3	-2	-2.5	24
KING	19	90.93	25	61.67%	19	59.03%	-6	0	-3	25
BOOKER	14	85.51	15	70.00%	20	58.57%	-1	-6	-3.5	26
LISA ACADEMY N. ELEM. (SHERWOOD)	4	34.54	9	81.82%	9	83.03%	-5	-5	-5	27
WESTERN HILLS	16	88.64	21	65.04%	25	56.10%	-5	-9	-7	28
ROMINE	15	88.46	29	55.47%	28	47.45%	-14	-13	-13.5	29
LITTLE ROCK PREP ACAD. ELEM.	11	82.39	28	55.67%	30	43.30%	-17	-19	-18	30

The Academic Rank was obtained in the following manner: Schools were ranked by affluence, with the lowest % poverty school receiving the highest affluence ranking. The schools were then ranked by Literacy and Math Proficient/Advanced percentages. Each of the Literacy and Math rankings was subtracted from the school's Affluence Rank. An average was taken of the differences between Affluence and Literacy Rank, and Affluence and Math Rank. The schools then received an Academic Rank based on these average differences. Schools with a higher Academic Rank had an average Literacy/Math Rank that was higher than their Affluence Rank. Schools with a low Academic Rank had a Literacy/Math rank that was low as compared to their Affluence Rank. Schools at "par", or with an average difference approaching zero, had little difference between their Affluence rank and their average Literacy/Math rank.

EXHIBIT D

Excess Building Capacity in East/Central Area

School	Capacity	Enrollment	Students Living in Zone	Excess Capacity with Current Enrollment	Excess Capacity Beyond Students Living in Zone
BOOKER	554	492	III Zone	62	554
	554		U	62	JJ 4
CARVER	418	323	0	95	418
ROCKEFELLER	535	432	371	103	164
GIBBS	362	304	0	58	362
WASHINGTON	964	479	598	485	366
KING	552	456	422	96	130
TOTAL:	3385	2486	1391	899	1994