



Idaho Public Charter School Commission  
**2020 Annual Report**

IDAHO PUBLIC CHARTER SCHOOL COMMISSION

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ALAN REED, CHAIRMAN

JENN THOMPSON, DIRECTOR

# PUBLIC CHARTER SCHOOL COMMISSION



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Term Ends 2022  
Appointed by Pro Tem



Sherrilynn Bair, Vice Chair  
Term Ends 2024  
Appointed by Governor



Brian Scigliano  
Term Ends 2024  
Appointed by Governor



Kathleen "Kitty" Kunz  
Term Ends 2023  
Appointed by Pro Tem



Wanda Quinn  
Term Ends 2024  
Appointed by Governor



Nils Peterson  
Term Ends 2023  
Appointed by Speaker



Julie Van Orden  
Term Ends 2023  
Appointed by Speaker



Jenn Thompson  
PCSC Director

## THE PCSC'S ROLE

The Public Charter School Commission (PCSC) is Idaho's statewide charter school authorizer. The PCSC is tasked with risk-management and oversight of approximately 80% of Idaho's public charter schools.

The PCSC considers whether to approve or deny petitions for new charter schools and whether to renew or non-renew each school's operating term every five years.

In between those decision points, the PCSC staff conducts the day to day work of school oversight, including compiling data, conducting site visits, and monitoring legal compliance.

Annually, performance reports are published both for the sake of public transparency and to help inform PCSC renewal decisions.

The PCSC maintains standing committees focused on continuous improvement in evaluating new petitions and renewal applications.

## MISSION STATEMENT

The Public Charter School Commission's mission is to ensure PCSC-authorized public charter schools' compliance with Idaho statute, protecting student and public interests by balancing high standards of accountability with respect for the autonomy of public charter schools and implementing best authorizing practices to ensure the excellence of public charter school options available to Idaho families.

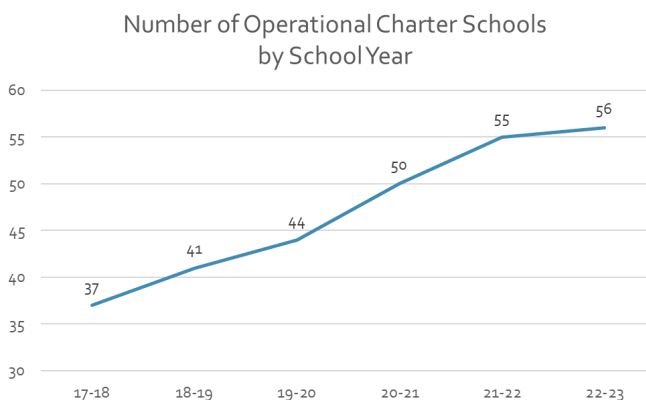
## CHARTER SECTOR GROWTH

The PCSC has grown from authorizing 37 schools in 2017 to authorizing 56 schools today.

Five of the schools we authorize are currently pre-operational, and intend to open in 2021 or 2022. In addition, three new charter school petitions are currently under evaluation.

While the PCSC provides operational and financial oversight for 56 schools, we provide academic oversight for 63 programs. This is because several schools run multiple programs, such as a Montessori elementary and an alternative high school.

During the 2019-20 school year, PCSC schools served approximately 20,500 students, or 6% of the publically educated students in Idaho. This represents a 1% increase over the previous school year, in which PCSC schools served approximate-



ly 19,000 students.

In addition to the charter schools in the PCSC's portfolio, Idaho has 15 charter schools authorized by school districts. Data from district authorized schools are excluded in this report.

## CHARTER SCHOOLS DURING THE PANDEMIC

### Strengths: Local Control

By design, charter schools are governed at the building level. Each school has its own governing board of volunteers, subject to Idaho Open Meeting Law and the Idaho Non-Profit Corporation Act. Charter school governing boards establish and maintain school policies and directly evaluate the performance of their school administrator each year.

Because of this structure, charter schools experience greater local control than traditional district schools where the distance between the board and the school is greater and decisions require more consensus building before implementation. This autonomy is one of the primary draws of professional educators to the charter sector.

As the pandemic hit last spring, charter schools were uniquely poised to quickly adapt policies and practices at a local level. While navigating this year has been incredibly difficult for everyone, the nimbleness of charter school structure has proven to be a positive and useful feature.

### Challenges: Enrollment

Many Idaho public schools (charter and traditional) have experienced lower enrollment than expected this year. However, while traditional districts have funding protections in place at the state level, charter schools are exempt from this benefit (I.C. §33-1003). Low enrollment causes a direct decrease in revenue. This can be a significant challenge particularly for charters and other small schools.

While 75% of the PCSC's schools were able to maintain at least 90% of their enrollment projections through the fall of 2020, a few have struggled with significantly decreased revenue streams. These schools have implemented creative solutions to compensate for the shortfall.

Schools that have not faced low enrollment, have still faced significant challenges caused by student turn-over and constant transitions between in-person, hybrid, and remote instructional models. The academic and social-emotional impact of this instability is not yet fully known.

## SCHOOL OUTCOMES FY20

The PCSC’s framework includes academic, financial, and operational measures. Each school is evaluated against these measures annually and is informed of its status by a performance report. At the end of a school’s operating term, the PCSC determines whether a school’s charter will be renewed, conditionally renewed, or non-renewed based largely on the school’s performance outcomes with respect to these established standards.

In October of 2019, the PCSC began the process of revising its framework and the measures (particularly the academic measures) by which schools are evaluated. The revisions were adopt-

ed in October of 2020.

As statewide assessments were canceled in the spring of 2020 due to COVID-19 related closures, the PCSC was not able to evaluate the academic performance in 2020. However, with a revised framework that allows for greater consideration of context, we are confident that new baselines can be established and achievable goals set based on 2021 data.

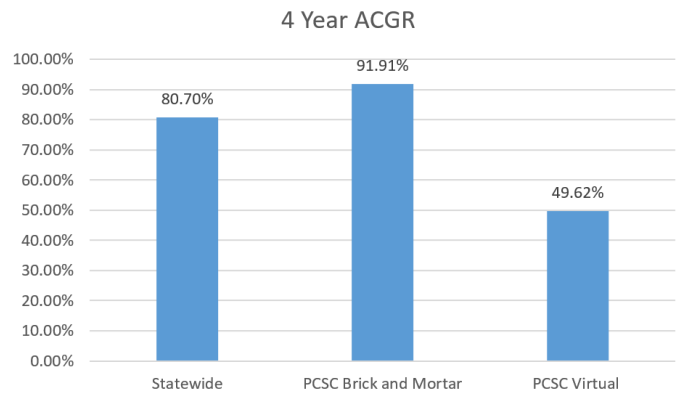
For the 2019-2020 school year, the only academic data pertinent to the PCSC’s framework is graduation rate. Operational and Financial measures were fully evaluated.

## ACADEMIC OUTCOMES

### 4-Year Graduation Rate

The PCSC authorizes 13 “brick and mortar” schools that offer diplomas. Overall, these schools achieved an average 4-year graduation rate of 92%. Eight have graduation rates above 95%.

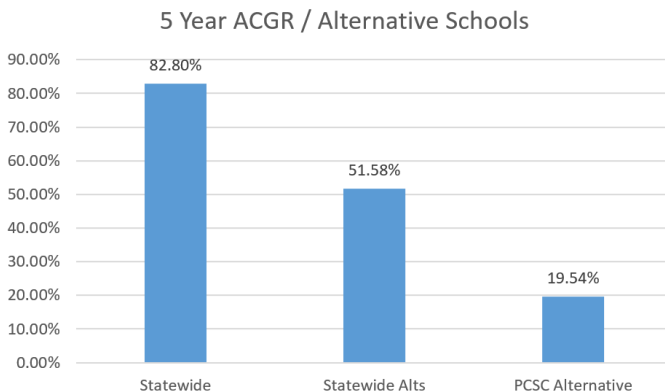
The PCSC also authorizes 6 non-alternative virtual schools. The average graduation rate of this group is low (50%) and continues to be an area of focus for both the schools and the PCSC. Encouragingly, improvements are happening: Idaho Virtual Academy achieved a graduation rate of 79% and Idaho Technical Career Academy increased its graduation rate by more than 10% over the previous year.



### 5-Year Graduation Rate

The PCSC also authorizes 5 alternative schools that had a graduating class in FY20. The PCSC only considers the 5-year graduation rate for alternative schools. In the past, the PCSC framework has compared alternative school outcomes to the statewide average of all schools (83%). Because the comparison was between unlike cohorts, establishing achievable goals was difficult.

The revised framework allows alternative schools to be compared to other alternative schools. While PCSC schools did not hit that mark (52%), a more data-driven target will help establish more relevant goals and better inform future evaluations.



## FINANCIAL OUTCOMES

The PCSC evaluates every school against eight financial measures. The first four speak to a school's ability to remain financially stable in the next year. These include the current ratio of assets to liabilities, the number of days cash on hand, whether the school is in default, and ability to meet and maintain its enrollment projections.

The final four measures speak to a school's ability to remain financially viable over time.

These measures include total margin in the current year and across multiple years, cash flow in the current year and across multiple years, debt service coverage ratio, and total debt to asset ratio.

The calculations and the evaluation rubrics are published in the PCSC's [Performance Framework](#) available on our website.

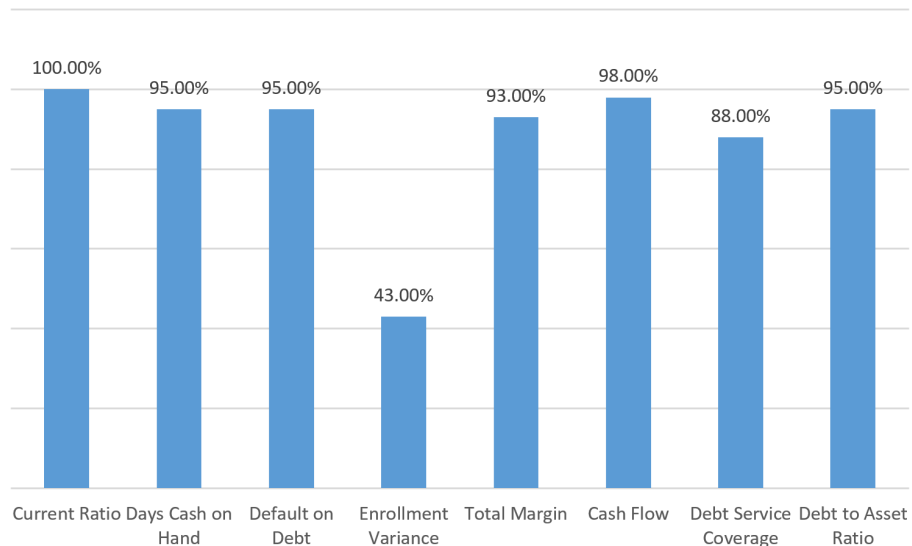
At the end of the 2020 fiscal year, PCSC schools were performing well on most financial measures. However, this data highlights a few areas of focus:

First, three schools currently operate under a notification of fiscal concern. This effectively adjusts the percentage of payment released at each distribution date to protect taxpayer dollars in the event of a mid-year closure. This status is evaluated each June. While all three showed improvement over the previous year, they did score below a meets standard level on several measures.

Second, a few schools have high facility costs which places their debt service coverage ratio at less than ideal levels. This issue, once it exists, is a difficult one to course correct.

Third, two schools made significant, but planned investments in their facility this year. While this

% of School Meeting Standard on Financial Measures



has a temporary impact on cash flow and total margin measures, it is not necessarily a cause for concern.

Finally, the enrollment variance measure was moved from the operational section of the framework, where it was easily lost among other data points, to the financial section, where it takes a more prominent position. The four near-term measures should tell a similar story, but the enrollment variance measure does not align. This anomaly led the PCSC to further investigate the effectiveness of the measure.

As an initial step, additional education was provided to schools this summer, prior to collecting a next data point. As a result, the percentage of schools meeting this standard for FY21 has increased to 75%.

Additional education has helped to provide more accurate data with respect to this specific measure. However, the PCSC is continuing to investigate whether further revision is necessary. Ultimately, this measure will be revised to align with state-wide decisions on enrollment reporting as the path forward for all schools becomes clear.

## OPERATIONAL OUTCOMES

### Board Stewardship

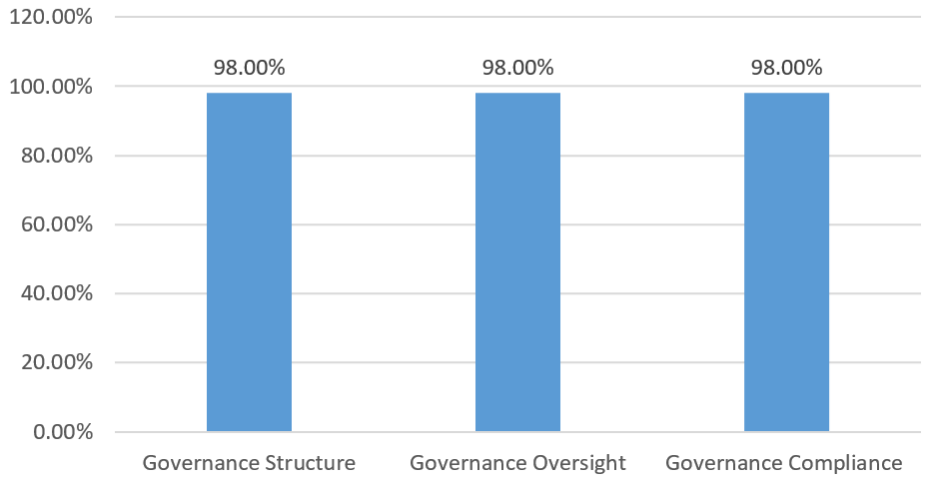
The Board Stewardship measures are intended to help identify whether a charter school’s governing board is providing effective governance.

The governance structure measure considers whether the board is operating in compliance with Open Meeting Law, the Non-Profit Corporation Act, and the board’s own bylaws.

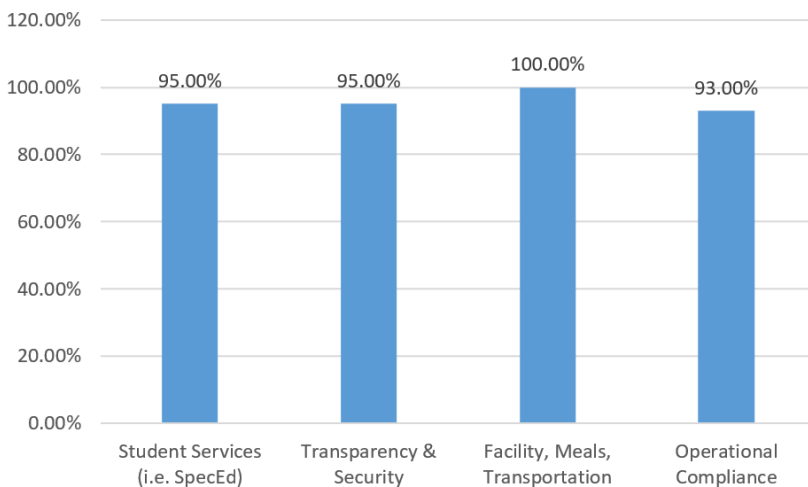
The governance oversight measure considers whether the board is sufficiently engaged in reviewing financial and academic data and whether the board is providing a sufficient evaluation of the school leader. Finally, the governance compliance measure considers whether any significant issues or investigations are attributable to governance practices. A governing board that understands the balance between governance and management is key to a successful charter school.

At the end of FY20, 98% of the PCSC’s schools were implementing effective governance practices.

% of Schools Meeting Standard



*[Charter School Governance: The Essentials.](#)  
This series of training videos was made possible by BLUUM and the federal CSP grant.*



### Leadership and Management

Leadership and management measures consider the effectiveness of a charter school’s day-to-day operations.

The student services measure considers whether a charter school’s special education, English language learner, and college and career readiness programs are in good standing.

The transparency measure considers how well a school is managing public records and website compliance.

The facility measures consider issues of occupancy and safety as well as the quality of transportation and meal service programs. Finally, the operational compliance measure considers the accuracy and timeliness of submitted reports, the compliance of the school’s enrollment process, and how the school addressed any corrective action plans if applicable.

At the end of FY20, more than 90% of the PCSC’s school meet all standards in this category.

## GROWTH BRINGS CHANGE

As the PCSC's portfolio of schools has grown adapting practices and procedures to work at scale has become a primary focus. Below are a few of the significant changes made this year:

**New Staff** — The PCSC has welcomed two new Program Managers this year, each managing a caseload of schools. Charter schools are unique by nature, and this shift in structure is designed to refocus our work on knowing schools well, so that we may better support and advocate for their needs within the scope of our work as authorizers.

**PCSC Policy**—In August of 2020, the PCSC adopted significant revisions to its policies. These revisions realign existing policy with statute, provide clarity on timelines and oversight, and include new sections that specifically address amendments, transfers, and reporting. These changes are helping us provide a more consistent experience for schools.

**Framework**— In October of 2020, the PCSC wrapped up a year-long revision process of its Per-

formance Framework. In addition to strengthening individual measures (as noted on previous pages), these revisions remove unnecessary layers of scoring, refocus the annual report on outcomes, and provide opportunity to consider context (such as unique demographics or pandemic conditions) when considering a school's renewal application.

**Site Visits**— One of the major policy revisions this year was to disaggregate the single large-scale site visit that was previously part of the renewal process. Rather than a school hosting a team of evaluators for multiple days, the PCSC staff will make more efficient use of available data (such as accreditation reports) and conduct smaller, purpose-driven site visits (such as observing a board meeting or an enrollment lottery) aimed at collecting necessary data not otherwise available. This change is intended to better facilitate the work of authorizing while decreasing the reporting and hosting burden on our schools at the same time.

## LOOKING FORWARD

2020 has been a year of unprecedented challenges in education. Enrollment is more variable than ever. Educational professionals are stretched to the limit, and then stretched a little more. Amidst these challenges, the need for choice in the charter sector and for quality schools continues to grow.

As assessments resume and the reality of the 2020 learning gap becomes clearer, we hope to work with our schools to help them establish new baselines and develop targeted goals from where they stand today. We are optimistic that the flexibility in our revised framework will help us compile a more holistic data-story for our schools that will better serve both schools and taxpayers.

The role of charter authorizers is shifting. In the past, authorizing was primarily a punitive system of rules and consequences. The future of authorizing is more multi-faceted, and seeks a better balance between oversight and service. The IPCSC will continue to evolve in this way, though hopefully at a slower pace than we've experienced this year.

### FINDING BALANCE

While the operational section of our framework looks different, the measures are largely unchanged.

The two most significant changes include:

1) reorganizing the measures to more clearly relate to board stewardship and leadership; and 2) directly connecting each measure to the data used to inform the rating. Not new, just clearer.

These revisions are intended to help schools better understand the ratings earned and to make the report more useful in setting future goals.