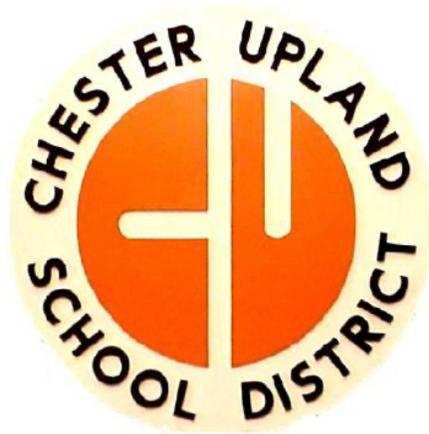


CUSD Strategic Options Initiative
RFP Review Task Force Recommendations for
Receiver Dr. Juan Baughn



Presented by
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Background on the Strategic Options Initiative Process

The following information is being provided to Receiver Dr. Juan Baughn as an initial summary of findings from the Strategic Options Initiative.

CUSD faces substantial near-term and long-term challenges, including lagging academic results, financial constraints, substantial amounts of deferred maintenance, inadequate operational and administrative work processes, and inadequate support systems. Unfortunately, despite over two decades of interventions via Pennsylvania's Department of Education, the District's progress towards administrative, fiscal, and operational self-sufficiency has been much slower than desired.

To address these long-standing issues, the District's Receiver, Dr. Juan Baughn, has been charged to explore innovative alternatives to the District's current operational structure, academic programs, support systems, staffing models, and financial and budgetary status. Pursuant to an Order of the Delaware County Court of Common Pleas (No. CV 2012-009781), dated May 14, 2020, the **CUSD Framework for Strategic Options Initiative (SOI)** was approved for implementation. The Court Order specifies that the Receiver has the authority and responsibility for implementing the SOI. In response to that Court Order, Receiver Baughn is considering a number of bold solutions such as outsourcing the management or operations of District schools or District central office operations and is committed to undertaking an intensive analysis of feasible options that articulate performance expectations that can be measured, monitored, and maintained with fidelity.

Receiver Baughn and the CUSD Board of Education were charged with considering cost effective strategic options that will address the district's most severe challenges. CUSD intends to leverage the experience of subject matter expertise on district reorganizations and examine best practice examples from several urban school districts that have embarked upon similar initiatives to restructure the delivery of education to their students. The Court Order and the Receiver are clear that any strategic options for managing CUSD's schools must effectively demonstrate, "continuity of quality educational curriculum and extra-curricular programs and meet the needs of current and future students with disabilities, as well as alternative quality arrangements for students who choose not to attend the conversion charters." Therefore, the Strategic Options Initiative was constructed to identify, evaluate, and eventually contract with Education Management Organizations, or Charter Management Organizations, or any other K-12 education service organizations ("Providers") that offer the "**best fits**" and "**best matches**" for CUSD's needs for dramatic improvements in academic performance *for every student in the District*. Additionally, the "best fits" and "best matches" for the District must ensure that all of CUSD's students have access to programs, instruction, and support services that meet their needs. In addition to this RFI, the Receiver will be considering proposals for rethinking the management and operations of the District's central office functions (e.g., student

support services, transportation, and food services) with the ultimate goal of achieving cost effectiveness and operational efficiencies.

In the evaluation of Provider proposals, the Receiver was charged with considering a range of potential options, including but are not limited to, the following:

Option 1: Outsourced/contracted management for selected CUSD schools

Option 2: Outsourced/contracted management for a subset of CUSD schools

Option 3: Conversion of individual District school to a charter school

Option 4: Conversion of a subset of District schools to charter school

Option 5: Outsourced/contracted management of District facilities and real estate

The Strategic Options Initiative structured to allow Receiver Baughn to select and contract with third party organizations to execute the SOI and consider partnering Providers in an individual or subset of schools depending upon how well their qualifications and proposed solutions respectively meet the needs of the students. Although each of CUSD's Pre-Kindergarten – 12th grade schools were considered under this initiative, the highest priority has been placed on schools which have been challenged in meeting the District's mission and vision and where academic achievement has been historically below expectations. Throughout the process, the Receiver articulated that it was possible for the District to maintain responsibility and control for all or some of its schools, if it determined that doing so was in the best interest of the students and CUSD community.

CUSD's Receiver engaged an independent Strategic Advisor, PlusUltre LLC, to develop a Request For Interest (RFI) which summarizes CUSD's background, outlines the case for the Strategic Options Initiative, outline opportunities for provider engagement, and for developing a list of potential providers and for cultivating interest in the SOI. It was expected that the potential providers would include Education Management Organizations, Charter Management Organizations, and private education companies which have proven capabilities to turn around schools similar to CUSD's and knowledge of the Chester Upland area and demographics. It was anticipated that providers within and outside of Pennsylvania might have interest in the SOI opportunity. The RFI contained minimum qualifications for engagement. Interested providers were expected to submit an Intent To Reply form and a completed RFI document that was reviewed and evaluated by the Strategic Advisor. Following

the submission of the Intent to Reply form, the Strategic Advisor recommended to the Receiver which interested providers should be invited to proceed to the Request For Proposals phase of the SOI process.

The Strategic Advisor contacted 22 organizations or their representatives to ascertain interest in the Strategic Options Initiative based upon track records for turning around failing schools and restoring/rebuilding academic progress in schools which are similar to CUSD's. Seven (7) organizations submitted RFI responses.

Subsequently, the Request for Proposals (RFP) was distributed only to Educational Management Organizations (EMOs) or Charter Management Organizations (CMOs) which completed the initial phase of the SOI, the Request for Interest (RFI). RFI's were reviewed for completeness, accuracy, and appropriateness for CUSD's various needs by the District's Strategic Advisor, with recommendations to Receiver Baughn to accept or not accept those submissions.

Three (3) education management organizations submitted formal RFP's: Friendship Educational Foundation (Washington DC) , Global Leadership Academy (Philadelphia, Pennsylvania), and Chester Community Charter School (Chester, PA) posted on the Chester Upland School District's website, entitled "[Requests for Proposal for Potential Outsourcing of Management or Operations of District Schools Revised 01.17.2021](#)" , as of the deadline date, February 26, 2021.

The requested school sites were:

Chester Community Charter School: CUSA, Main Street

Friendship Educational Foundation: CUSA, Toby Farms

Global Leadership Academy: Stetser, Toby Farms.

On the CUSD website, the proposals and attachments for each of the organizations has been posted. Those documents have detailed descriptions of their respective plans for assuming management of their proposed schools and/or converting those schools to charters.

RFP Review Task Force

An RFP Review Task Force was assembled to review and critique the RFP submissions. The members of the Task Force were nominated by the CUSD Board of Education. The following factors, listed in priority order, were considered in evaluating proposals submitted in response to the RFP:

- a) Provider's written proposal;
- b) Provider's response to questions from the District's Receiver, Strategic Advisors, RFP Review Task Force, or the CUSD Board of Education;
- c) Provider's presentation(s) to the District's Receiver, Strategic Advisors, RFP Review Task Force, or the CUSD Board of Education;

- d) Conformance to specifications set forth in the requirements, such as presentations of proposed services, due diligence visits to existing Provider sites or schools, interviews, etc.;
- e) Costs to CUSD; and
- f) Ability to adhere to SOI timetable.

Each Provider’s proposal had to address the stipulated qualifications and criteria listed in the RFP in order to be considered. Consideration of the stipulated qualifications and criteria did not preclude the essential consideration of the requirements, intent, and purpose of the School District Financial Recovery Law, 24 P.S.6-601 et.seq., and the identification and analysis of financial savings, revenue, cost, expenses, and budget consequences. Providers were encouraged to provide comment and make recommendations on whether or how or why the evaluation criteria should be weighted differently. The main evaluation criteria for the RFP review process are as follows:

Evaluation Criteria	Weight	Maximum No. of Pages
<i>Section 1: Provider Background, Theory Of Change, and Rationale</i>	5%	3
<i>Section 2: Proposed School(s) Model(s)</i>	20%	10
<i>Section 3: Proposed Curriculum And Instructional Approach</i>	25%	20
<i>Section 4: School Climate and Student Motivation</i>	10%	10
<i>Section 5: Human Resources and Talent Development</i>	10%	10
<i>Section 6: Parental and Community Engagement</i>	10%	10
<i>Section 7: Provider Management, Operational, and Financial Capacities</i>	10%	10
<i>Section 8: Provider Cost Proposal</i>	10%	5
<i>Total</i>	100%	

To be eligible for selection, a proposal was required to be received on a timely basis from the Provider and be properly signed by an officer of the Provider who may legally bind the Provider. These requirements were the only RFP requirements that CUSD considered non-waivable. CUSD reserved the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformities in a Provider’s proposal, (2) allow the Provider to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Provider’s proposal.

Evaluation of the proposals involved a weighing of different economic and non-economic interests, and thus, no single numeric metric was applied. In evaluating the proposals to determine the best responsible offer, a non-exclusive list of elements considered by the CUSD included:

A. Educational Factors

- Expected annual academic growth of CUSD students.
- Expected impact of proposed school model on student success (PSSA scores, PVAAS trends, Future Ready Index, promotion and graduation).

- Curricular approach for all student cohorts, including special needs students and gifted and talented students.
- Capacity and capability to recruit and retain highly qualified and highly motivated instructional and noninstructional teams.
- Ability to innovate and create new and different approaches to increasing student success.
- Capacity to design and deliver top quality professional and staff development.
- Capacity to utilize and leverage technology to develop and deliver educational content.
- Effectiveness and efficacy of proposed school climate and discipline approaches.
- Alternative arrangements for current students who chose not to attend a charter school *if any District schools are converted to a charter school.*
- Ability to provide continuity of quality educational curriculum and extra-curriculum programs.
- Ability to meet needs of current and future students with disabilities.
- Other educational factors.

B. Engagement Factors

- Ability to provide student engagement programs and avenues for increasing the likelihoods of student success.
- Capacity to engage with parents and community members in similar environments.
- Quality of programs to increase parental and community engagement.
- Other engagement factors.

C. Technical Factors

- History of performance with similar school districts or other educational systems.
- Record of legal and financial compliance in operation of similar school districts or other educational systems.
- Financial structure of Provider, and ability to perform obligations under the contract, and whether such abilities are conditioned on market or other conditions.
- Requirements for approval and expected likelihood of approval of outsourced services by the Court.
- Other technical factors.

D. Financial Factors.

- Capacity of Provider to meet expectations under a multi-year contractual engagement.
- Ability of Provider to successfully execute proposed school model within CUSD's economic constraints.
- Ability of Provider to attract new, additional funding to its proposed school.
- Demonstrate that converting an existing public school building or a portion of an existing public school building to a charter school will result in financial savings.
- Other financial factors.

The originally named members of RFP Review Task Force are as follows. Each individual was identified and recommended by the CUSD Board and approved by the Receiver because of his/her experience, expertise, and knowledge of the District's needs:

- Fred Green – CUSD Board Member
- Dr. Jacqueline Irving – CUSD Board Member
- Anthony Johnson– CUSD Board Member
- LaToya Jones – CUSD Parent
- LaMonte Popley – CUSD Principal*
- Tyra Quail – CUSD Board Member
- William Riley– CUSD Board Member
- Kenneth Washington - – CUSD Board Member

*Did not attend any of the meetings or presentations.

- The Task Force was staffed by:
- Dr. Leroy D. Nunery II, Strategic Advisor to the CUSD Receiver
- John Polk (Associate of Dr. Nunery's company, PlusUltre LLC)
- John Pund and Mari Grochowski, J.L. Pund & Associates

Attendance at the RFP Review Task Force meetings ranged between 90 – 100%, excluding Mr. Popley who did not attend any of the meetings or presentations.

The Strategic Advisor convened an Orientation Meeting for the Task Force on February 16, 2021, at which time each of the rating criteria were reviewed and rules of engagement were presented. This meeting provided Task Force members with the opportunity to ask questions about the process, give insights on scheduling, and provide insights on public perceptions of these Strategic Options, particularly in regard to “charterizing” schools. Because several of the members of the Task Force are also CUSD board members, they were well aware of the District's underlying needs for improvement and were reminded to rely on that foreknowledge as they reviewed each of the proposals.

The RFP Review Task Force conducted an initial review of each proposal, and reactions to those proposals was provided to each organization along with specific clarifying questions. Each of the organizations complied with directions and guidance given to them by the Receiver's Strategic Advisor in preparation for their virtual presentations to the RFP Review Task Force (April 5 - 7, 2021) and in-person public presentations on May 6, 2021. Also, per a court order dated April 6, 2021, issued by Judge Barry Dozor of the Delaware County Court of Common Pleas, each proposing organization was required to write a maximum 1000 word narrative that described its respective proposals. Each of these narratives have been posted on the District's website. Subsequently, all materials and proposals related to this process will be posted on the district's website, as mandated by the Court.

During the course of the RFP process, there were email exchanges between the Strategic Advisor and the proposing organizations, primarily in response to their specific questions on the RFP or as clarifying requests on the RFP process and timing. The Strategic Advisor also transmitted directional emails to the proposing organizations to apprise them of changes in schedules, documentary and informational requirements, and logistics for meetings. Each proposing organization was asked to articulate “must haves”, stipulating terms and conditions that would enable it to undertake a multiyear engagement with CUSD. The “must haves” are included in the documentation submitted by the organizations and posted on the CUSD website.

The Strategic Advisor Receiver was in regular, ongoing contact with the Receiver, CUSD board president, legal counsel for the district, and other advisors to provide updates on the RFP timetable, deliverables, process integrity, and expectations. There were also several motions filed by attorneys representing one of the proposing organizations (Chester Community Charter Schools) which are a matter of record. The multiple requests for information and data requested by CCCS significantly delayed the originally proposed timetable by a considerable amount, and the formal RFP process did not get underway for several months after the original start date. Throughout the process, there were motions filed by the Education Law Center and Pennsylvania State Education Association that also required significant time to research and formulate response.

RFP Task Force Recommendations to Receiver Dr. Juan Baughn

Following the public presentations on May 6, RFP Review Task Force members were asked to submit their feedback to the proposing organization’s RFP submissions and presentations using an online rubric designed by the Strategic Advisor. As of this date, five of the RFP Review Task Force members have submitted their formal feedback via an online survey (attached as an appendix). Additionally, the Strategic Advisor polled each of the Task Force members to ascertain and summarize their respective opinions, namely (1) the integrity, efficiency, and effectiveness of the RFP process and (2) individual thoughts on whether to recommend any of the proposing organizations to the Receiver for further action. The results and recommendations from the Task Force feedback are presented below.

Task Force Surveys

The Strategic Advisor analyzed the survey results from each of the five (5) members who submitted survey forms and performed two different calculations.

On an average score basis, Global Leadership Academy scored the highest of the three organizations with 57 out of a possible 100 points. Friendship Education Foundation finished second with 54 out of a possible 100 points. Chester Community Charter School scored third with 39 out of a possible 100 points.

On a weighted average basis (Calculated by: (1) Summing the total points given by each rater; (2) Dividing that sum by the number of raters; and (3) Multiplying the product by the criteria weight percentages), Global Leadership Academy gained 8.6 points out of a total possible 15.5 points; Friendship Education Foundation came in second with 7.97 out of a total possible of 15.5 points; and Chester Community Charter School scored third with 5.39 out of a total possible 15.5 points.

Note: Only Chester Community Charter School suggested an alternative weighting of the criteria. In response to the January 14, 2021, order issued in Common Pleas Court of Delaware County, CCCS offered its assessment of how the proposals should be weighted: 80% of total value of the proposal should be attributed to factors that impact the financial recovery of CUSD with the remaining 20% given to academic functions. Using that criteria, CCCS scored a 5.46 out of a total possible 15.5 points.

Polling of Task Force Members

Each Task Force member had the opportunity to discuss with, or submit his/her final recommendations to, the Strategic Advisor. Each was asked to provide feedback on (1) the RFP process, and (2) which proposing organization should proceed to the next step of due diligence.

RFI and RFP Process

Task Force members felt that the RFI and RFP documentation accurately and adequately described the challenges that the District faces. Task Force members conveyed their concerns about the compressed timeframe for making recommendations, although they understood that much of the compression was due to the multiple legal challenges.

Recap of Task Force Insights

Chester Community Charter School

CCCS not only received the lowest scores in the Task Force's scoring, but it also received some of the sharpest critique. One member described the public presentation as "disrespectful", and others felt that questions from the public were not adequately answered. Because this organization has substantially better information and connection to the Chester Upland community, there was an expectation that CCCS could appropriately address questions about academic achievement, financial savings, etc. However, it appears that the presenters failed to leave a positive impression and did not mention that it would consider pursuing only one site vs. its original two site proposal. None of the Task Force members recommended that CCCS should be referred to the Receiver.

Friendship Education Foundation

Friendship received the second highest scores from the Task Force, but its presentations were solely focused on its successes in Little Rock AR, which seemed anomalous to Chester Upland's unique circumstances. FEF's competitive advantage is its national reach and access to external philanthropic

funding. However, Task Force members did not feel that FEF presented a distinguishing difference between the district's present and its future.

Global Leadership Academy (GLA):

GLA received the highest ratings of the 3 organizations and received the most positive praise from members of the Task Force. GLA's model appealed to some members, but there were also concerns that GLA's commitment to a charter school model did not comport with their desire to not "charterize" the District. (Incidentally, GLA operate a school in southwest Philadelphia called the Huey School which is operated under a management contract arrangement with School District of Philadelphia (Renaissance School model), allowing charter school governance under contractual terms and conditions).

GLA's founder, Dr. Naomi Booker, recently informed the Strategic Advisor that it would like to be considered for 2022 because of the time constraints as evidenced by the following email message sent on June 9, 2021:

Good afternoon, Dr. Nunery.

Thank you for the opportunity to share our successful model with the CUSD community, district administrators, board members, and other stakeholders. Because of the uncertainty of the timeline in deciding, there are some reservations that I would like to share. With it being very late and this current school year is ending, GLA does not have ample time to prepare for the upcoming school year if we were awarded the schools. For GLA to consider going forward, there are the conditions:

- 1. We must hear from the district by June 15th to continue a partnership.*
- 2. Then we would like to engage only Stetser Elementary School in the process this year and save Toby Farms for 2022 school year.*
- 3. We would like to request additional students for Stetser for the K-8 grade configuration so we may grow and support as many children as we can in the district.*
- 4. If the district is not able to make that commitment, then we will respectfully bow out for this year and look at this for 2022.*

I look forward to your response from the you and the district. Thank you.

Kind Regards,

Dr. Naomi Johnson Booker

If CUSD were to proceed with an external provider, GLA presented the most viable of the three options, but only if a management contract agreement could be structured. As Dr. Booker's email

relays, GLA would not be in position to undertake an engagement in 2021, which is a possible consideration for Receiver Baughn.

Summary of Task Force Recommendations and Next Steps

It is clear that none of the proposing organizations achieved a unanimous affirmative response from the Task Force. There are deeply held beliefs and opinions that external/outsourced operations are not the optimal course for CUSD and in fact, Task Force members were clear that maintaining ownership and voice in the District -- even under the current state control conditions -- was preferable to contracting with a third party operator. Task Force members noted that without a significant distinction between how the district operates today and the offerings from third party operators, that there would be very little benefit to transferring control to non-CUSD organizations. Moreover, Task Force members did not see demonstrable proof that how academic outcomes or district management would be truly different and better under the Strategic Options Initiative.

Because of the pervasive impact of COVID-19 on education continuity, some Task Force members felt that earlier progress – albeit incremental for 2018 and 2019 -- was severely curtailed. COVID-19 created tremendous uncertainties around the learning losses and “COVID slide” which will be a substantial variable for the District no matter what operating model is chosen. Members recognized the great difficulty that a third party operator would have in establishing new performance benchmarks and baselines under “normal” circumstances; the added effect of the pandemic would amplify the operating conditions, putting enormous pressure on an external provider to restoring trust in a system that had been so severely impacted.

Task Force members asserted the desire to give CUSD parents to have the right to choose educational options for their children, and for some members, maintaining the status quo structure and academic pathways seemed more viable than outsourcing. Many members noted that in lieu of the Strategic Options, they would prefer the following:

1. Ample, equitable, and appropriate funding on a per capita basis to enable investments in the educational infrastructure, teacher recruitment, professional development, etc.;
2. Stability and continuity in district leadership;
3. Clearer political and public support for District transformation initiatives;
4. Clarity from the Delaware County Court of Common Pleas on its mandates for District transformation, specifically providing time for the district to achieve financial recovery while also enabling academic progress;

5. Restoration of trust and transparency between the principal leaders in CUSD, i.e., Receiver, Superintendent, Board, and community members, and building consensus around the transformation agenda.

Based upon the collective thoughts of the task force, the Strategic Advisor recommends that the Receiver not proceed with a third party/outsourced option at this time. It is feasible that the receiver will reconsider this recommendation if conditions change. Assuming that the Receiver accepts and agrees with this recommendation, the Strategic Advisor recommends that Receiver Baughn present his decisions on the Strategic Options Initiative to the Delaware County Court of Common Pleas, with the goal of receiving either an approval or denial response from the Court no later than June 30, 2021.