

DOUGLAS COUNTY SCHOOL DISTRICT RE-1
Resolution Denying the STEM School Highlands Ranch Charter Replication Application

WHEREAS, The Science Technology Engineering and Math (STEM) Charter School, also known as the STEM School Highlands Ranch (hereinafter referred to as “STEM” or the “Applicant”) is a charter school of Douglas County School District (“District”) that is presently authorized to operate one K-12 charter school in the District pursuant to the Charter Schools Act, C.R.S. §§ 22-30.5-101 to -120 (the “Act”); and

WHEREAS, on or about March 15, 2022, STEM submitted a replication application (the “Replication Application”) to the District requesting authorization from the District’s Board of Education (“Board”) to open a second K-12 charter school (the “School”) in the District; and

WHEREAS, the District’s Charter Application Review Team (the “CART”) and District staff have reviewed the Replication Application and recommended to the Board that the Board deny the Replication Application for the reasons set forth in their written recommendation; and

WHEREAS, the Board of Education has considered the Replication Application, District Policy, the Act, oral and written submissions from the public, and written recommendation from the CART and District staff; and

NOW, THEREFORE, BE IT RESOLVED by the Board that denial of the Replication Application is in the best interests of the District, its students and parents, and the community, and that the Replication Application is hereby denied for the following reasons:

1. The Applicant did not provide evidence that an adequate number of parents and pupils support the formation of the School.
 - a. The Applicant has proposed to open the School in Year 1 with grades K-3 and has budgeted for an initial enrollment of 100 students in grades K-3, 225 students in grades K-4 in Year 2, and 475 students in grades K-5 in Year 3. During the application process, the Applicant informed District staff that the Applicant had received letters from 98 students intending to enroll at the School in Year 1, but when asked to identify intents by grade level, the Applicant stated that it had received 56 intent letters from students in grades K-3 and 62 intent letters from students in grades K-4, which is substantially below the Applicant’s ambitious enrollment targets.
 - b. While a few members of the Sterling Ranch community have expressed support for the Replication Application, the District has received a significant amount of public input from members of the Sterling Ranch community (via email, public comment, and community meetings) in opposition to granting the Application.
2. The Applicant did not provide evidence that the plan for the School is economically sound.

- a. As noted, the Applicant has not demonstrated that it can meet its enrollment targets, meaning the projected enrollment is not fiscally sustainable.
 - b. Further, the School's proposed budget does not have sufficient funding allocated for its facility costs given Colorado's current real estate market.
 - c. The budget does not include any program costs for English language development or for gifted and talented programing. Similarly, the budgeted salaries for the School's business director, IT staff, nurse, and counselor/dean are below the current market rate. The School likely will have to increase those salaries to attract qualified staff.
 - d. The School relies upon a \$400,000 cash infusion to attain a balanced budget in Year 1 but has not identified the source of these funds.
 - e. The School's Financial Plan is identical to the Financial Plan for its Highlands Ranch location. However, the School's initial and projected enrollment are substantially below the Highlands Ranch location.
3. The Applicant states that it will offer educational programming at the School to meet the needs of English language learners, gifted and talented students, and students with disabilities, but has not proposed or budgeted for adequate staff to implement this programming.
 4. The Applicant has proposed to share staff between its replication location and STEM's Highlands Ranch location to provide critical instruction and services to English language learners, gifted and talented students, and students with disabilities, but has not demonstrated that it has adequate capacity to accomplish this proposed staff sharing. In the alternative, the Applicant has stated that it will adjust staffing at the School with contingency funds after it evaluates the needs of its students enrolled in Year 1, but it does not have adequate contingency funds or enrollment numbers to provide adequate adjustment.
 5. The Applicant's facilities plan did not detail viable facilities options, nor did its budget reflect the reasonable costs of a facility. The School has identified a site to be dedicated to the District within the new Sterling Ranch development as the sole location for its replication school. However, the District has not evidenced an intent to surplus and convey the site for the School's use and the School's budget does not reflect the reasonable cost of constructing a new school.

BE IT FURTHER RESOLVED that the School District wishes to work with the Applicant to address the issues discussed in this resolution and assist the Applicant in submitting an improved application during the next available application window.

BE IT FURTHER RESOLVED that The Superintendent or designee is hereby directed to provide a copy of this Resolution to the Colorado Department of Education within fifteen (15) days of its adoption date.

PASSED AND ADOPTED this 21st day of June 2022 by a vote of 7-0.

AYES: Hanson, Meek, Myers, Peterson, Ray, Williams, Winegar

NAYS: NA

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Mike Peterson

By _____
Mike Peterson, President

Becky Myers

By _____
Becky Myers, Secretary

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