

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

July 24, 2021

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Interim Superintendent of Schools

Subject: M.E.C.C.A. Charter School (06-29-2021-04-A, -B, -C, -D)

During the discussion regarding *Charter Schools - MBLI Charter Schools -- M.E.C.C.A. Charter School Application*, Board members requested the following information:

Question A

Mrs. O'Neill requested information regarding the milestones, and the timeframe within which said milestones must be met, concerning the conditions of approval for this application.

Response

We are currently taking a deeper dive into the M.E.C.C.A. Business Learning Institute (MBLI) finances and their ability to bring in revenue. MBLI will fund 72 percent of start-up costs from the Maryland State Department of Education grant that they have been awarded, however, they did not sufficiently explain how they will fund the remaining 28 percent.

Montgomery County Public Schools' (MCPS) staff estimates that the Per Pupil Allocation (PPA) for year one would be \$3,687,305. This estimate presumes 240 enrolled students utilizing the Fiscal Year 2022 cost per student amount of \$15,410, minus three percent operating cost that MCPS will withhold. This represents approximately only 51 percent of the MBLI projected \$7,167,260 expenses for year one of the proposed program or an overall funding gap of nearly \$3.5 million.

While MBLI leadership proposed spending \$350,000 on yellow bus transportation, the applicant did not provide a complete transportation plan; therefore, MCPS staff cannot fully evaluate the adequacy of this allocation. Given that the MBLI must accept students from throughout the district, it is likely the program will require more than three bus routes per year; thus, it appears that the applicant significantly has underestimated the cost of transportation. This further increases the amount by which the applicant's expenses are underfunded.

MBLI proposes a before- and after-school enrichment program as a source of additional revenue to fund the program expenses not covered by the PPA. The enrichment program is estimated to enroll 120 middle school students at a rate of \$125 per week. MBLI did not provide evidence that it is a reasonable expectation that a sufficient number of middle school students, in the geographical area will enroll in such enrichment programs for 10 months to bring in \$600,000 of revenue the first year and an additional \$200,000 yearly thereafter. This is a significant proposed source of revenue that has not been substantiated.

MBLI indicated that they have banking relationships that can be accessed to address the shortfall in revenue but did not provide details of such arrangements including repayment structure. While they referenced the support of local banks such as Industrial Bank and Trust Bank, financial commitment letters were not provided.

Question B

Ms. Silvestre requested information regarding where an interested citizen would go to better understand how charter schools are governed in the state of Maryland.

Response

Information regarding the governance of charter schools in the state of Maryland is available on the [Maryland State Department of Education](#) and [Montgomery County Public Schools](#) web sites.

Question C

Ms. Silvestre requested enrollment data for the secondary schools that are located adjacent to the proposed school on Tech Road.

Response

Briggs Chaney Middle School

Capacity/Enrollment Projections							
Current Capacity	Future Capacity	2021 -2022	2022 -2023	2023 -2024	2024 -2025	2025 -2026	2026 -2027
926	926	984	934	936	933	952	945

James Hubert Blake High School

Capacity/Enrollment Projections							
Current Capacity	Future Capacity	2021 -2022	2022 -2023	2023 -2024	2024 -2025	2025 -2026	2026 -2027
1,743	1,743	1,907	1,953	2,018	2,002	2,025	2,052

Springbrook High School

Capacity/Enrollment Projections							
Current Capacity	Future Capacity	2021 -2022	2022 -2023	2023 -2024	2024 -2025	2025 -2026	2026 -2027
2,121	2,121	1,734	1,879	1,957	1,970	1,994	2,023

White Oak Middle School

Capacity/Enrollment Projections							
Current Capacity	Future Capacity	2021 -2022	2022 -2023	2023 -2024	2024 -2025	2025 -2026	2026 -2027
992	992	878	885	848	846	862	856

Benjamin Banneker Middle School

Capacity/Enrollment Projections							
Current Capacity	Future Capacity	2021 -2022	2022 -2023	2023 -2024	2024 -2025	2025 -2026	2026 -2027
786	786	901	864	900	899	916	910

Paint Branch High School

Capacity/Enrollment Projections							
Current Capacity	Future Capacity	2021 -2022	2022 -2023	2023 -2024	2024 -2025	2025 -2026	2026 -2027
2,020	2,020	2,106	2,192	2,269	2,299	2,326	2,357

Question D

Ms. Silvestre requested additional information from the applicant regarding their capacity to fundraise for the remaining funds needed for the school.

Response

The question has been forwarded to the M.E.C.C.A Business Learning Institute for a response.

If you have any questions, please contact Ms. Ruschelle Reuben, chief of teaching, learning, and schools, at 240-740-3450 or via e-mail.

MBM:RR:lhs

Copy to:

Executive Staff

Ms. Webb