

July 17, 2003

Ms. Malissa Williams, President
Board of Trustees
Paterson Charter School for Urban Leadership
5-7 Mill Street
Paterson, NJ 07514

Dear Ms. Williams:

After careful review and consideration, I have determined that the Paterson Charter School for Urban Leadership has not successfully implemented its remedial plan to correct the conditions which caused the probationary status of the charter school. Therefore, in accordance with N.J.S.A. 18A:36A-17 and N.J.A.C. 6A:11-2.4(b), the charter for the Paterson Charter School for Urban Leadership will be revoked, effective immediately.

On January 31, 2002, staff from the Office of School Funding visited the charter school to examine issues related to its fiscal operations and charter, as well as compliance with state statutes and regulations. A letter dated February 7, 2002, outlining issues that the charter school needed to address, followed the site visit. The board submitted an inadequate response to the issues raised in the February 7, 2002 letter. Department of Education (DOE) staff conducted a second meeting on March 7, 2002 with the charter school. At that time, the department noted that the deficiencies were still not addressed. A letter was sent on April 24, 2002 requesting additional information. A third meeting was held on June 14, 2002 at the charter school to discuss the same deficiencies. The response submitted by the board again failed to adequately address the issues raised in the June 14, 2002 meeting. On January 21, 2003, staff from the Office of School Funding, Office of Innovative Programs and Schools and the Passaic County Office of Education conducted a fourth visit with the charter school. We reexamined issues related to the school's fiscal operations and noted that there were still several deficiencies. In accordance with N.J.A.C. 6A:11-2.4, the Paterson Charter School for Urban Leadership was placed on probation for a period of 90 days, effective February 13, 2003. Department staff met with charter school personnel at the department on March 3, 2003, to further discuss outstanding issues regarding fiscal solvency, governance and compliance. Department staff conducted a fifth school site visit on April 17, 2003, and I extended the probation period effective May 16, 2003 until June 30, 2003.

In December 2002, the Office of Compliance completed an examination regarding the school's compliance with required criminal history reviews. The examination disclosed that 24 employees may not have submitted to a criminal record check in violation of N.J.S.A. 18A:6-7.1. It was also determined that the school employed six individuals who had not received approval and had not obtained an emergent hiring approval from the county superintendent prior to employment. Thirdly, the school was found to employ 11 individuals who did not have current valid approvals for the district. This compliance investigation found a 76 percent exception rate to criminal history reviews (41 of 54 employees were noncompliant) and two of the employees were found to have disqualifying convictions and have been removed. Although a corrective action plan was submitted by the charter school in March 2003, as of May 2003, 10 of the 41 exceptions had not been cleared.

To date, the information that the school has submitted has not met the desired level of detail and/or it has not addressed all of the information and action items requested to ensure compliance and the operation's soundness. Accordingly, the decision was made to revoke the school's charter.

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Pursuant to N.J.A.C. 6A:11-7.3(g), be advised that the distribution of assets upon revocation must be consistent with applicable provisions of your bylaws and that all assets of the charter school, after satisfaction of all outstanding claims by creditors, will be distributed to the resident district.

You are further directed to complete all requisite filings in the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System. The Paterson Charter School for Urban Leadership is an entity incorporated pursuant to the laws of this state. This action to revoke the Paterson Charter School for Urban Leadership's charter to serve public school students does not dissolve the entity's rights and obligations of incorporation as set forth in Title 15 of New Jersey Statutes or other applicable statutes.

It is fully expected that the Paterson Charter School for Urban Leadership will work with the district superintendent, the county superintendent and department staff to effectuate a smooth transition for the students, including the timely transfer of complete student records to the school district(s). A dissolution plan detailing specific actions to be taken by the board of trustees will follow shortly.

In accordance with N.J.S.A. 18A:36A-17.1, the board of trustees is directed to provide the department with a complete list of the names and addresses of all students and staff currently enrolled and working, respectively, in the charter school.

Please be advised that in accordance with N.J.A.C. 6A:11-2.5, you have the right to appeal this decision. Should you have any questions, you may contact Michael Klavon, director, Office of Innovative Programs and Schools at (609) 292-5850, or Yut'se Thomas, director, Office of School Funding at (609) 984-4948.

Sincerely,

William L. Librera, Ed.D.
Commissioner

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