



Notice of Probationary Status (Level 3 Intervention)

December 17, 2025

Board of Directors
720 Payne Ave
St. Paul, MN 55103

Dear Board of Directors and Executive Director Xiong,

On March 3, 2023, the University of St. Thomas issued a Notice of Concern (Level 2 Intervention) due to concerns regarding student academic outcomes, declining finances, and organizational effectiveness. Within this notice the following was requested:

- Accurate FastBridge data uploaded into Egynte,
- HOPE's Board develop a financial plan for long-term viability,
- HOPE Board and leadership undergo financial management training,
- A plan to attract, train and retain board members,
- An organizational plan to ensure timely submission of reports and data.

Also, in the notice, it was stated:

St. Thomas wants to be clear that if HOPE Community Academy does not move decisively toward stable levels of performance in line with contract requirements, the school could be at risk of losing its charter.

On April 3, 2023, HOPE submitted an intervention plan and accomplished the following: HOPE uploaded April 2023 FastBridge data, all board members underwent training with Jenny Abbs of then Bergan KDV, and submission of data improved.

A follow-up letter to the March 2023 Notice of Concern was issued on February 6, 2024, as St. Thomas continued to have concerns regarding academic progress and financial viability. The concerns noted were the failure to maintain adequate debt service coverage ratio, a decrease in fund balance from 23% (FY22) to 15% (FY23), a drop in reading and math MCA proficiency levels, and failure to upload FastBridge data since April 2023. The following plan was developed:

- Hire a financial consultant to bring the school back to financial viability
- Provide a plan of remediation to bond holders
- Provide a contingency plan for school closure if enrollment targets were not reached

- Provide a narrative of how the FastBridge data is being used and uploading data into Egnyte after each testing session.

From the developed February 2024 intervention plan, the following was accomplished: HOPE hired a financial consultant, the bond holders diverted funds to HOPE in lieu of purchasing additional property, HOPE maintained adequate debt service coverage ratio, fund balance increased from 15% (FY23) to 18% (FY24), both math and reading MCA proficiencies increased from previous academic year but remained below Saint Paul Public Schools, HOPE's website was in process of being updated to be in compliance, and the board actively sought board members that represented the demographics of HOPE's student population.

On January 13, 2025, the University of St. Thomas sent a letter requesting a meeting to discuss current state of academic progress, enrollment, and fiscal management and the effectiveness of current intervention. UST stated that it continued to have concerns about low high school enrollment, a lack of marketing plans, and a lack of academic growth. The school was required to update their intervention plan. The plan was to address the following issues: low high school enrollment, lack of marketing plans, irregular data monitoring, and stagnant academic growth. In lieu of the meeting, HCA provided additional information on enrollment, academic programming, data, and a marketing plan. Based upon the information and updated intervention plans provided to UST, it was determined that HOPE Community Academy would remain on Level 2 Intervention.

In the fall of 2025, concerns increased as St. Thomas noted certain aspects of the Level II Intervention Plan were not being consistently implemented especially in the following two areas: **academic and enrollment.**

In the academic area, the main concerns pertained to the fidelity of Hmong programming and the lack of growth in reading and math MCA proficiency levels.

- In SY25, students were not assessed on Hmong Language Development, which is a required contract assessment. This Fall, the school moved to using ACTFL assessments, a more rigorous standard-based assessment, to measure Hmong and Karen Language Development. The results showed that only 4% of students tested met the Hmong proficiency benchmark and just 2% met the Karen proficiency benchmark. This data indicates that students are not receiving a strong foundation in Hmong nor Karen.
- As prescribed in the intervention plan, the results of the Fall 2025 FastBridge testing should have been uploaded to Egnyte with a narrative on how the school is using the data to drive instructions, interventions, and curriculum. To date, the data has not been uploaded. Additionally, the SY25 MCA results were mixed. Elementary school reading, elementary school math, and middle school reading slightly increased their proficiency levels; however, middle school math, high school reading and high school math all decreased in proficiency. As a school, the MCA scores are relatively stagnant.

	SY21	SY22	SY23	SY24	SY25
HOPE MCA Reading Proficiency	18.3%	19.4%	15.6%	17.4%	17.5%

HOPE MCA Math Proficiency	12.1%	10.4%	9.8%	14.9%	15.9%
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Regarding UST's **enrollment concerns**, the school's enrollment decreased from 795 (SY25) to 752 (SY26), and student retention was at 84% for SY25. This decline is particularly concerning given that the marketing plans submitted in spring SY25 were specifically focused on improving student recruitment and retention. In SY25, the school reduced its preschool program from two sections to one. At the start of SY25, 78 students were enrolled in kindergarten, including students advancing from two preschool sections. By the start of SY26, kindergarten enrollment had dropped to 50 students, with students advancing from only one preschool section. The decrease of 28 kindergarten students has had a significant impact on the budget with future ramification on all grade levels. Additionally, the original SY26 budget projected an ADM of 790. Due to the lower actual enrollment, the projected year-end DSC is 0.99 for FY26, which results in HOPE not meeting its bond covenants, as this falls below the required DSC of 1.11.

Collectively, the data demonstrates that HOPE Community Academy's academic improvement and marketing plans are ineffective. Student performance on Hmong proficiency benchmarks remains low; MCA scores are stagnant, and enrollment has decreased.

After conducting the Fall Renewal Site Visit in 2025, UST became increasingly concerned about the structure, delivery, and tracking of the Special Educational Department and Services. From the focus group discussions, it was evident that there is ambiguity surrounding a Multi-Tiered System of Supports (MTSS) and the Child Study Team. As described in the focus groups, HOPE's special education service model consists of students receiving the initial 20 minutes of whole-group instruction from the general education teacher. Following the in-class instructions, the special education teacher provides pull-out support focused on modified classwork aligned to the lesson. HOPE is currently not using a specific academic curriculum to target a student's individual needs. This approach does not align with HOPE's TSES manual description of "Method of Providing the Special Education Services for the Identified Pupils". Additionally, the TSES manual administration and management plan does not detail a direct supervisor of the special education staff, nor does it indicate who is responsible for the schedules of special education staff. During the site visit it was stated that the paraprofessionals' schedule was created by the principal, and oversight of their adherence to the schedule is delegated to the general education teacher, and when concerns arise the general education teacher will follow up with the Special Education Coordinator. This indicates that there is a lack of fidelity checks on the delivery of paraprofessional services. Furthermore, the MCA results for students in special education have shown a decrease in proficiency over the past three years.

Students in Special Education	SY23	SY24	SY25
HOPE MCA Reading Proficiency	9.5%	8.9%	8.3%
Hope MCA Math Proficiency	11.1%	8.9%	1.8%

Overall, the school's MTSS, Child Find Process, and Special Education Services lack a clearly defined organizational structure, consistent academic and behavioral programming, and an effective system of checks and balances.

After reviewing SY25 data it was determined that the school has not demonstrated the ability to achieve academic performance levels, special education programming, and enrollment goals that are in line with contract requirements and in some cases have lost ground.

Given the length of time these concerns have persisted, their critical nature, and the limited amount of time available for their mitigation, St. Thomas is concerned that the school is in danger of losing its charter. **Accordingly, St. Thomas is elevating the school to Intervention Level Three: Notice of Probationary Status.** We wish to be very clear that this signals a heightened level of concern, and the issues need to be addressed by the Board and Leadership with urgency, consistency, and sustained effort in order to avoid loss of the school's charter.

Level Three Intervention means that St. Thomas will continue to actively monitor HOPE's progress toward improvement through site visits, board meeting observations and other authorizer activities. To ensure clarity regarding HOPE's strategies for improving academic outcomes, increasing enrollment, and developing a structured and compliant special education system, St. Thomas is requiring the school to submit a written plan that includes measurable goals, defined action steps, and clear timelines. This requirement will allow St. Thomas and HOPE Community Academy to effectively assess progress, monitor key benchmark data, and evaluate the impact of improvement efforts as data become available.

In response to this Notice of Probationary Status, St. Thomas requests that a comprehensive School Improvement Plan be created. The School Improvement Plan must include a detailed strategy for improving academic outcomes, increasing enrollment through an updated marketing plan, and strengthening the School's MTSS, Child Find process, and Special Education services. The plan must address the areas outlined below and apply to all grade levels, PK–12.

Required School Improvement Plan:

I. Academic Plan should include:

- The usage of FastBridge data to inform instruction and interventions
- The structure and programming of interventions
- What ongoing data will be collected to assess the effectiveness of the interventions
- How the interventions will be structured and scheduled
- How the structure of the Hmong/Karen program will support the progression of language skills
- What ongoing data will be collected to assess the effectiveness of Hmong/Karen program

II. Marketing/Recruitment Plan should include:

- A brief overview
- A summary of data that informs the plan
- Identified targeted populations

- SMART objectives
- Clear messaging on what makes HOPE worth choosing
- Marketing strategies & action Steps
- Implementation timeline
- Roles & responsibilities
- Evaluation & monitoring

III. MTSS, Child Find Process & Special Education Services Plan:

- A developed MTSS plan that aligns with [Minnesota Multi-Tiered System of Supports \(MnMTSS\) Framework](#)
- A clear Child Find Process
- Description of SPED Services that align with IEP goals
- Description of SPED specific curriculum
- A communication plan that includes administration, teachers, staff, and parents
- An organizational system that outlines responsibility of each member of the community regarding MTSS, Child Find Process, and Special Educational Services
- Staff training on MTSS, Child Find Process, and Special Education Services at HOPE
- Updated TSES Manual to include the above information.
- Upload FastBridge Data after each testing session.

St. Thomas appreciates the commitment of HOPE Community Academy Board and leadership throughout the challenges of the last few years and wish to communicate that we are still aligned in our commitment to the success of HOPE. Our chief concern in raising these issues to such a level of urgency is the well-being of the students served by the school.

The School Improvement Plan included below identifies the highest-priority areas of concern and the specific responses required. This matrix is intended to guide HOPE's Board and leadership team in implementing the necessary steps to move the school forward. A monthly meeting will be scheduled between St. Thomas, the Executive Director and Board Chair to monitor the effectiveness of the School Improvement Plan. St. Thomas remains committed to maintaining open, professional, and constructive communication throughout this process.

Action Item Matrix

I. Academic Plan:

Action Items			
Request	Person responsible for delivery of action item	Deadline	Link / Response
A. Training of Administration and Teachers in the collection and use of data to drive instruction and interventions.	Outside Consultant	January 30, 2026	
B. Create a comprehensive MTSS plan in alignment with Minnesota Multi-Tiered System of Supports (MnMTSS) Framework	Outside Consultant	January 30, 2026	
C. Train teachers, administration, and staff on the implementation of MTSS plan.	Outside Consultant	February 15, 2026	
D. Professional Development on ability grouping for administration, teachers, and staff	Outside Consultant	February 15, 2026	
E. Train DAC and Administration on FastBridge including usage of tools, accessing reports, reading reports, ongoing progress monitoring	FastBridge Representative	March 1, 2026	
F. Train Teachers and Staff on the usage of FastBridge reports	FastBridge Representative	March 1, 2026	
G. Train Grades 4-12 Teachers, Staff and Administration on administering and using Capti	Capti Representative	March 1, 2026	
H. Train teachers, administrators, and staff to effectively implement HOPE's math curriculum using best practices.	K-5 <i>My Math</i> Curriculum Representative Gr 6-12 <i>Reveal Math</i> Curriculum Representative	TBD	
I. Train teachers, administrators, and staff to effectively implement HOPE's literacy curriculum using best practices.	K-12 <i>OpenUp Resources</i> Curriculum Representative	TBD	

II. Hmong & Karen Program Plan

Action Items			
Request	Person responsible for delivery of action item	Deadline	Link / Response
J. Create Scope and Sequence for K-8 Hmong Curriculum	Hmong Teacher & Consultant	June 30, 2026	
K. Create Scope and Sequence for K-8 Karen Curriculum	Karen Teacher & Consultant	June 30, 2027	

III. Marketing/Recruitment Plan:

Action Items			
Request	Person responsible for delivery of action item	Deadline	Link / Response
A. Hire Marketing Company to advise on a marketing plan and rollout	ED/Marketing Consultant	March 30, 2026	
B. Develop a retention plan	ED/Board	March 30, 2026	
C. Create a closure contingency plan for high school if high school enrollment targets are not met	ED/Board	June 30, 2026	

IV. Special Education Services Plan:

Action Items			
Request	Person responsible for delivery of action item	Deadline	Link / Response
A. Conduct an audit of Special Education programming	Special Education Consultant	January 30, 2026	
B. Based on audit findings, the Board and ED will develop an implementation plan.	Consultant/Board/ED	TBD	

***Based on St. Thomas monitoring, action items may be adjusted.**

Please do not hesitate to reach out to danielle.miller@stthomas.edu or tmoffatt@stthomas.edu with any questions or concerns regarding this notice or the action plan.

Sincerely,



Danielle Miller
Program Manager
Charter School Authorizing Program
University of St. Thomas

cc. Terry Moffatt, Director of UST Charter School Authorizing Program

List of Appendices:

Appendix One: Notice of Deficiency (Intervention Level 2) – March 3, 2023

Appendix Two: Notice of Deficiency (Intervention Level 2 Follow-up) - February 6, 2024

Appendix Three: Notice of Deficiency (Intervention Level 2 Follow-up) - January 13, 2025

Appendix Four: Notice of Deficiency (Intervention Level 2 Follow-up) - March 13, 2025

Appendix Five: Notice of Deficiency (Intervention Level 2 Follow-up) - March 31, 2025

Appendix Six: University of St. Thomas Authorization Range of Interventions

**NOTICE OF DEFICIENCY
(Intervention Level 2)**

March 3, 2023

Board of Directors
HOPE Community Academy
720 Payne Ave.
St. Paul, MN 55130

Dear Board of Directors and Director Vu,

Over the past two years, the University of St. Thomas has become increasingly concerned with the performance of HOPE Community Academy in all areas: academic progress, financial management, and organizational governance. Per the summary of annual evaluations submitted with this letter, there has been a decrease in average scores in each category over the course of the contract, even after attempting to account for the impacts of the pandemic. While an overview of concerns is included here, this notice is designed to be read in conjunction with the contract renewal notice issued 3/3/2023.

Academic Progress

While it is clear that the COVID Pandemic has affected academic performance for students statewide, St. Thomas is concerned about the continued downward trajectory of student academic progress, especially in math (see contract renewal notice). The performance of students at HOPE declined at a rate roughly double that of the state average for students receiving free or reduced-price lunch (from SY2019 to SY2022 down 8.6 percentage points in reading and 10.8 percentage points in math vs. HOPE's declines of 15.8 and 22.6 percentage points respectively. Although there was a slight increase in reading scores from SY21 to SY22, the proficiency scores in both math and reading remain well below the state average as well as the resident district.

The percentage of students performing at or above the national average on the Fastbridge assessment has also declined from 31.5% to 16% in math and 26.5% to 20.3% in reading. The Fastbridge results reported in the renewal application also raised concerns regarding accuracy. For example, in reading for 2022-23, a total of 828 scores were reported with 201 students reported as having no score and 53 listed as N/A. In Math, 910 scores were reported with 199 no scores and 84 listed as N/A. The totals for both reading and math are higher than the actual number of students in the school. These results call into question not only the accuracy and validity of the data being reported but also how the data is being used as a progress-monitoring tool.

Financial Management

As reported in the most recent performance evaluation and letter, St. Thomas is concerned about the rapid decline in the fund balance of HOPE as well as the deficit in the current budget. Apparent discrepancies in the enrollment reports as well as the actual amount of the budget deficit lead to questions about general financial oversight by the board and internal capacity to manage the school's financial health.

Organizational Effectiveness

The increasing number of missed deadlines and late submissions is concerning. As mentioned in the contract renewal notice, the renewal application deadline was missed, the Title One application was submitted 5 months late, and the annual school assurances were submitted late to MDE. There are issues of non-compliance about the website that were reported in SY22 and SY23 that have yet to be rectified. There are also issues of non-compliance regarding the school board roster. The last board minutes to be posted are from October 22, 2022, and the Board and Committee Meeting Calendar includes dates for July to October only. Board packets are seldom if ever, distributed before the meetings. All of these issues indicate a mounting lack of organizational effectiveness.

As a result of these concerns, most acutely the concerns regarding the sustainability of HOPE Community Academy, the University of St. Thomas Charter Accountability Board is placing HOPE Community Academy on Intervention Level Two: Notice of Deficiency. Level Two intervention means that St. Thomas will continue to monitor HOPE's progress toward improvement through our normal channels (site visits, board packets, quarterly reports). In addition, to ensure a clear understanding of HOPE's strategy for improving performance in all areas, St. Thomas is requiring the school to share its plans for improvement in written form (see follow-up requirements section) as well as in-person.

St. Thomas wants to be clear that if HOPE Community Academy does not move decisively toward stable levels of performance in line with contract requirements, the school could be at risk of losing its charter.

Follow-up requirements

Provide information on how the school plans to improve performance in the areas of student academic progress, financial management, and organizational effectiveness. Our intent is not for the school to invest significant time in developing a "special plan" for the authorizer, but rather an opportunity for the board and school leadership to put plans into writing that will allow for progress toward contractual goals.

Academic Progress

To provide the most accurate data, after each testing session (fall, winter and spring), submit the following reports from Fastbridge:

- Group Screening Report for aMath and aReading (select Longitudinal Report)
- Group Growth Report (select fall to winter or fall to spring comparison depending on when the testing session takes place)
- Indicate how the information gathered from assessments connects to curricular and instructional decisions and who is involved.

Financial Management

In the area of financial management, St. Thomas requests that the HOPE Board and school leadership team meet with members of the St. Thomas Charter Authorizing Program staff as well as the Charter Accountability Board to discuss the current financial status and walk through the board's plan to return to a position of long-term viability.

It will also be required that the board and school leadership undergo financial management training.

- Provide information to St. Thomas regarding when the training will take place, who will provide the training, and who will be in attendance.
- Provide an updated budget and narrative regarding adjustments made to ensure future viability.

Organizational Effectiveness

- Outline a plan to attract, orient, train and retain board members
- Create a plan to indicate who is responsible for various data submissions and a plan for the timely fulfillment of those requirements. Included must be:
 - Updated board information on the website
 - Distribution of board packets at least three days before board meetings
 - Submission of quarterly reports and other requested information to the authorizer
 - Submission of required reports to MDE
 - Update of information on the Egnyte system
 - Website compliance per the report sent on 12/5/2022

Please submit a final copy of the requested information to St. Thomas no later than April 3, 2023.

We hope that this notice will assist the Board and school leadership in improving the school and providing every student at HOPE Community Academy with an excellent education. As always, we seek to keep the lines of communication open and encourage the school to contact us with any questions or concerns.

Sincerely,
Terry Moffatt

Molly McGraw Healy

APPENDIX TWO



2115 Summit Avenue
St. Paul, MN 55105

Telephone: 651-962-5000

www.stthomas.edu

NOTICE OF DEFICIENCY (Intervention Level 2)

February 6, 2024

Board of Directors
HOPE Community Academy
720 Payne Ave.
St. Paul, MN 55130

Dear Board of Directors and Director Vu,

This letter serves as a follow-up to the Notice of Deficiency dated March 3, 2023. In that notice, a plan to improve performance in the areas of student academic progress, financial management, and organizational effectiveness was requested. This plan was submitted to St. Thomas on April 3, 2023. Since the submission of the report, however, it is clear that additional information is necessary to address continuing concerns, most notably financial management and academic performance. To this end, St. Thomas would like to schedule a meeting to discuss the current state of financial and academic effectiveness. In preparation for this meeting, please consider the information and questions below.

Financial Management

This is the area of most concern. Some issues noted in the most recent financial audit that was available in the Egnyte folder on January 12, 2024 are:

- Per the Annual Financial Report, the School failed to maintain the adequate debt service coverage ratio, which places the School in violation of its debt covenants. This violation was not waived by the bond holders who requested a plan for remediation.
- Per the Annual Financial Report, the Summary of the Net Position of the School is as follows:

Summary of Net Position		
Total Net Position	2022	2023
	(\$4,280,592)	(\$5,435,726)

- The Fund Balance has continued to decrease. Per the 2023 Financial Audit, the Total Fund Balance as a percent of expenditures decreased from 23% in FY22 to 15% in FY23.
- Per the response by HOPE Community Academy to the Notice of Deficiency, it was indicated that the school had spent \$992,866 from the fund balance and was on track to

spend approximately \$300,000 from the fund balance in FY2023. In the financial audit, it was reported that \$737,114 was spent from the fund balance in FY23.

- Financial management training was included in the requirements by St. Thomas. It was indicated that all of the board members had undergone this training in either 2022 or 2023 with Jenny Abbs or then Bergan KDV.

Given the continued decrease in the general fund balance and the additional year of ending in a financial deficit, as well as the noncompliance of bond covenants, St. Thomas will require HOPE to hire a financial consulting firm or a financial consultant to help determine how to bring the school back to financial viability and how to mediate the financial position of the school.

At the meeting, please be prepared to discuss:

- Plan, including the hiring of a consultant, to bring the school back to financial viability;
- Plan of remediation being provided to bond holders, which includes HOPE's plan to increase high school enrollment; and
- Contingency plan, which may include a plan for school closure, if enrollment targets are not reached and if the school cannot reach financial viability.

Academic Progress

In reviewing the MCA scores from 2022 – 2023, it appears that there was a decrease in scores in both reading and math. Per the Intervention Notice, the submission of data from each testing session (fall, winter and spring) was requested. These reports were submitted with the April plan, but no data has been submitted since that time. Prior to meeting, St. Thomas would like to receive the following reports along with a narrative articulating how this information is being used and how the data connects to instructional decisions:

- Group Screening Report for aReading and aMath from the September round of testing as well as the January round of testing;
- Group Growth report from fall to winter in both reading and math; and Group Screening report for Early Reading and Early Math for both rounds of testing.

If there are other assessments that are being conducted to inform instruction, please include this data as well.

Please respond to this letter and indicate a date and time that may work for you to meet. Some dates/times we have available are:

- Monday, February 12 between 8:00 – 12:00
- Tuesday, February 13 between 10:00 – 12:00
- Thursday, February 15 between 8:00 – 10:30
- Monday, March 4 between 9:00 – 2:30
- Tuesday, March 5 between 9:00 – 2:30
- Thursday, March 7 between 9:00 – 1:00

We would like to request that at minimum the Board Chair and Director Vu be in attendance. You may also want to include Jenny Abbs as your financial services provider. We share the mutual goal of ensuring a sustainable and high quality education for the students and families at HOPE. Please reach out with any questions. Thank you.

Sincerely,
Terry Moffatt
Assistant Director
Charter School Authorizing Program
University of St. Thomas

APPENDIX THREE



All for the Common Good™



January 13, 2025

Dear Board of Directors and Director Vu,

In March 2023, the University of St. Thomas issued a Notice of Deficiency (Intervention Level 2) citing increasing concerns with performance in all areas: academic progress, fiscal management, and organizational governance. While improvements have been noted in the fiscal management of the school, St. Thomas remains concerned about the academic progress of students at each level as well as enrollment numbers for the high school grades.

St. Thomas would like to schedule a meeting to discuss the current state of academic progress, enrollment and fiscal management and to assess the effectiveness of the current intervention level.

Summary of Annual Evaluation

Annual Evaluation Areas	21-22	22-23	23-24
Is the Learning Program a Success?	2.16	1.71	1.48
Does the School Exhibit Strong Fiscal Health?	3.13	3	2.63
Is the Organization Effective and Well Run?	2.8	2.3	2.86

Academic Progress

In reviewing the MCA scores from 2023-2024, there has been an improvement in math proficiency rates from 6.5% (22-23) to 15.3% (23-24) but continues to be significantly below St. Paul Public Schools math proficiency rate of 25.9% and the state proficiency rate of 45.5%. Reading MCA scores slightly improved from 12.2% (22-23) to 16.5% (23-24) but also remain significantly below St. Paul Public School's reading proficiency of 34.1% and the state proficiency of 49.9%. Per the Intervention Notice, the submission of data from each testing session (fall, winter, and spring) was requested. The last uploaded FastBridge data in HCA's Egnyte files was from March 2023. As part of this year's fall site visit, UST requested fall FastBridge data which was provided at the site visit. Prior to meeting, St. Thomas would like to receive the following reports along with narrative articulating how this information is being used and how the data connects to instructional decisions:

- Group Screening Report for aReading and aMath from Spring 2024 round of testing, Fall 2024 round of testing and Winter 2025 round of testing added to Egnyte;
- Group Growth Report from fall to winter in both reading and math; and Group Screening report for Early Reading and Early Math for both rounds of testing added to Egnyte.

If there are other assessments being conducted to inform instruction, please include this data too.

Financial Management

This is the area of most concern. Some issues noted during the fall site visit and in the most recent financial audit that was available in the Egnyte folder on January 7, 2025, are:

- Per the Annual Financial Report, the Summary of Net Position of the School is as follows:

Summary of Net Position		
Total Net Position	2023	2024
	(\$5,435,726)	(\$6,021,099)

- In 2024, bond holders diverted funds to HCA in lieu of purchasing an additional property. This decision was made due to financial concerns. In 2024, a rent credit of \$247,846 was given to HCA and in 2025 academic year, HCA will receive a final rent credit of \$383,622. HCA's 2025 budget is projecting a revenue of \$390,000 which includes the rental credit. Without this rental credit, HCA would be just breaking even. In the 2025-26 academic year, HCA's rent will increase from 1.45 million to 1.95 million.
- The Fund Balance increased. Per the 2024 Financial Audit, the Total Fund Balance as a percent of expenditures increased from 15% in FY23 to 18% in FY24.

At the meeting, please be prepared to discuss:

- Plan to increase high school enrollment and marketing plan
- Plan to monitor and improve academic performance.

Please respond to this letter, indicate a date, and time that may work for you to meet.

Some dates/times available are:

- Wednesday, February 5 between 9:00-12:00
- Monday, February 10 between 9:00-2:30
- Tuesday, February 11 between 9:00-2:30
- Wednesday, February 12 between 9:00-12:00

We would like to request that at minimum the Board Chair and Director Vu be in attendance. You may want to include Jenny Abbs as your financial services provider. We share the mutual goal of ensuring a sustainable and high-quality education for the students and families at HOPE. Please reach out with any questions. Thank you.

Sincerely,
Danielle Miller
Program Manager
Charter School Authorizing Program

University of St. Thomas

APPENDIX FOUR



March 13, 2025

Dear Board of Directors and Director Vu,

Since 2023, Hope Community Academy has been on a Level 2 Intervention. HCA was issued a Notice of Deficiency (Intervention Level 2) on March 3rd, 2023. There were concerns in all areas: academic progress, fiscal management, and organizational governance. Within the notice, the following was requested:

- Accurate data uploaded into Egnyte after each FastBridge testing session and a narrative on how the data connects to curricular and instructional decisions.
- HCA's Board and school leadership develop a financial plan to return to a position of long-term viability.
- HCA's Board and school leadership undergo financial management training.
- Outline a plan to attract, train and retain board members,
- Create a plan for the timely submission of data including but not limited to updating website according to compliance checklist, quarterly reports, submission of reports to MDE, and distribution of board packets.

In accordance with these requests, a plan was submitted to UST on April 3, 2023. From this plan the following was accomplished: HCA submitted April 2023 FastBridge data, all board members underwent training with Jenny Abbs of then Bergan KDV, and submission of data improved.

As there were continuing concerns in the regard to academic progress and fiscal management, the University of St. Thomas sent a follow-up letter on February 6, 2024 requesting a meeting. The concerns noted were the failure to maintain adequate debt service coverage ratio, a decrease in fund balance from 23% (FY22) to 15% (FY23), a drop in reading and math MCA proficiency levels and failure to upload FastBridge data since April 2023. The following plan was developed from the letter and meeting:

- Hire a financial consultant to bring the school back to financial viability
- Provide a plan of remediation to bond holders
- Provide a contingency plan for school closure if enrollment targets were not reached
- Provide a narrative of how the FastBridge data is being used and uploading data into Egnyte after each testing session.

Since February 2024, the following has been accomplished: HCA hired a financial consultant, the bond holders diverted funds to HCA in lieu of purchasing additional property, HCA maintained adequate debt service coverage ratio, fund balance increased from 15% (FY23) to 18% (FY24), both math and reading MCA proficiencies increased from previous academic year

but remain below Saint Paul Public Schools, HCA's website is being updated to be in compliance, and the board is actively seeking board members that represent the demographics of HCA student population.

During the 24-25 academic year, the University of St. Thomas has been regularly attending board meetings, and on January 13, 2025, the University of St. Thomas requested a meeting to discuss current state of academic progress, enrollment, and fiscal management to assess the effectiveness of current intervention. In lieu of the meeting, HCA provided additional information on enrollment, academic programming, and data.

The University of St. Thomas Authorizing team reviewed the data and narratives. The elementary winter FastBridge data shows a small dip in scores, but this is typical of winter testing. Middle school and high school students are not assessed with FastBridge in the winter; however, Mr. Reed's narrative effectively describes how the fall data and internal testing continue to guide ongoing support for students. After FastBridge testing is completed on May 16th and the data has been uploaded into Egnyte, the University of St. Thomas will review this data along the 2025 MCA and ACCESS data released in the fall of 2025 to assess HCA's academic progress.

Based upon Infinite Campus, HCA's enrollment has remained around 791 since January 2025 which is up from 2024 enrollment of 773. Given the importance of growing HCA'S High School, St. Thomas would like to have more details on HCA's marketing plans and retention of current middle school students. The information can be sent via email, or a meeting can be set via Zoom or in person.

The University of St. Thomas would like to acknowledge that Hope Community Academy and the Board have taken St. Thomas's concerns seriously and have been working diligently to ensure compliance with legal requirement while identifying areas of strength and opportunities for growth. Based upon the information provided to UST, Hope Community Academy will remain at a Level 2 Intervention for both finance and academics. In the Fall of 2025, UST Authorizers will review enrollment and MCA data and will follow up to discuss HCA's progress in academics and finances. In the meantime, if you have questions or concerns regarding this letter or the needed follow-up on retention of students, the University of St. Thomas would be happy to schedule a time to meet with you.

Sincerely,



Danielle Miller
Program Manager
Charter School Authorizing Program
University of St. Thomas

cc. Terry Moffatt, Interim Director

APPENDIX FIVE



March 31, 2025

Dear Executive Vu and Board of Directors,

On March 26, 2025, UST received Hope Community Academy's (HCA) marketing and student retention plans. The overall focus of these plans is to foster enrollment growth through the retention of current students, who are regarded as "the foundation of the student body."

HCA provided the following supporting documents:

- Response to UST March 13, 2025, Letter
- HOPE Community Academy Marketing Plan
- Marketing Plan for College and Career Readiness
- Secondary Academic Plan SY25_26
- 25-26 Hope MS Course Catalog
- HS Science Course Description

These plans provided comprehensive details outlining HCA's community partnerships, middle and high school courses offerings and the development of a high school tier 2 program. Additionally, the marketing plans were aligned to Hope Community Academy's mission and vision statements.

UST appreciates the thoroughness of the plans and looks forward to seeing the positive impact these initiatives will have on enrollment and academics. We will continue to monitor HCA's progress towards improving academics and finances and will follow-up in the Fall to review Level 2 Intervention status. At this time, no further action or details are required. Thank you once again.

Sincerely,

A handwritten signature in brown ink that reads "Danielle Miller".

Danielle Miller

Program Manager

Charter School Authorizing Program

University of St. Thomas

Range of Interventions Guidelines

St. Thomas evaluates all the information it obtains through its ongoing oversight to inform decision-making. School's performance and/or actions may trigger an intervention. The chart below describes what triggers different levels of intervention and the ensuing result. Official interventions require a response from the school's Board of Directors. Intervention level is determined by the severity of the concern and need not begin with level one or advance level-by-level.

Status	Triggered by...	Will Result in....
<u>Level One</u> Notice of Concern	<ul style="list-style-type: none"> Signs of weak performance identified through routine monitoring; through implementation, compliance, or performance reviews; or by other means. Repeated failure to submit required documents on a timely basis. 	<ul style="list-style-type: none"> Letter to the school's board (council) detailing areas of concern. Review and reconsideration of goals and performance targets in the Accountability Plan. St. Thomas Charter School Accountability Board recommendation that the school develops a School Improvement Plan (SIP).
<u>Level Two</u> Notice of Deficiency	<ul style="list-style-type: none"> Failure to meet multiple performance targets; or glaring or repeated failure to meet a single performance target. Failure to comply with applicable law or significant failure to comply with Board condition(s) of the charter. 	<ul style="list-style-type: none"> Letter to the school's board (council) detailing areas of deficiency. SIP containing specific improvement objectives, technical assistance requirements, and schedule for remedial action negotiated with the St. Thomas Charter School Accountability Board.
<u>Level Three</u> Notice of Probationary Status	<ul style="list-style-type: none"> Continued failure to meet performance targets; and failure to meet objectives of SIP. Continued failure to comply with applicable law or with the charter. 	<ul style="list-style-type: none"> SIP imposed by the St. Thomas Charter Accountability Board. Charter School Board is copied on all communication regarding the SIP and intervention. St. Thomas Charter School Accountability Board has the option to request the school allocate time at one or more school board meetings for a St. Thomas team member to present and discuss SIP progress. St. Thomas Charter School Accountability Board has the option to require the assignment of a technical assistance team to the charter school and may facilitate the development of said technical assistance team. In certain cases, the St. Thomas Charter School Accountability Board may appoint an agent to monitor the implementation of the SIP and the activities of the technical assistance team.

<p><u>Level Four</u></p> <p>Charter Extended Review</p>	<ul style="list-style-type: none"> • Pattern of failure to comply or meet performance targets; or • Failure to successfully address terms of probation. 	<ul style="list-style-type: none"> • Recommendation to revoke, not to revoke, or to impose lesser sanctions. • Decision to commence or not to commence revocation proceedings made by St. Thomas Charter School Accountability Board.
<p><u>Level Five</u></p> <p>Charter Revocation</p>	<ul style="list-style-type: none"> • Charter review results in recommendation to revoke. 	<ul style="list-style-type: none"> • Written notice from the St. Thomas Charter School Accountability Board stating reasons for proposed revocation and informing school of right to an informal hearing. • Record of informal hearing. • Decision to revoke or not to revoke made by St. Thomas Charter School Accountability Board.