

# Iowa State Board of Education

## Executive Summary

November 13, 2024



**Agenda Item:**

Charter School Voluntary Termination of Contract  
Request: Scholarship Prep

**State Board  
Priority:**

State Board of Education Goals 2 – 4

**State Board  
Role/Authority:**

Per Iowa Code 256E, the State Board shall approve or deny charter school applications, and a contract be executed between the founding group and the state board. This includes revisions to the signed contract.

**Presenter(s):**

Deborah Elder  
Chief Operating Officer

Barbara Ohlund, Executive Officer  
Division of PK-12 Learning

**Attachment(s):**

Three

**Recommendation:**

It is recommended that the State Board approve the contract amendment request.

**Background:**

The State Board of Education authorized Scholarship Prep Charter School to open an elementary and a middle school in Des Moines in January, 2024 and approved contracts in February, 2024. Scholarship Prep Charter School requests dissolution of the contracts for both the elementary and middle school.

October 16, 2024

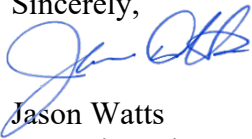
To the Iowa State Board of Education,

My team and I want to thank you for your collaboration with us this past year as we planned the launch of two Scholarship Prep schools in Des Moines. We are grateful for the support of so many people in Iowa, including the Iowa Department of Education and the state Board. Over the past 8-10 months, we have been dealt multiple setbacks that will prohibit us from launching our K-5 and 6-8 schools in Des Moines in 2025. I will briefly outline the two major challenges so you understand the context:

1. California Funding – This year, California has ended numerous funding streams that were created to mitigate the learning gap caused, in part, by COVID and subsequent school shut downs. Because we target the most vulnerable student populations, and post-COVID those populations have grown substantially, the cost to support those students has gone up dramatically while the funding mechanisms mentioned above have dissipated. This unexpected fiscal and staffing challenge has caused us to pivot time and resources to ensure our sustainability and success. The Board of Directors for our schools here in California has decided they cannot justify opening two new schools 1,700 miles away when we are faced with laying people off at home. I hope you can understand the challenge that poses for the morale of our staff here.
2. Facilities - We conducted a search for cost-effective facilities across Des Moines and were unsuccessful in procuring a building. We were very close to a deal to purchase a building on the south side of Des Moines, but in the end we could not afford it. We had an architect draw up extensive renovation plans and we were working with the city for the pre-application processes on zoning. We applied for multiple grants to finance the renovations and none of them were awarded.

We are incredibly disappointed that this did not work out the way he had hoped. We are still very interested in Iowa and would welcome the chance to expand our model to serve students there when the conditions are more favorable. We understand that we would need to go through the full application process again at that time. While that is not ideal for all involved, that is unfortunately where we are at today. I wanted to communicate with you directly to explain the circumstances and thank you for your collaboration. I wish you the best of luck this application season.

Sincerely,



Jason Watts  
Executive Director  
Scholarship Prep