



Navigator Schools
Growth Plan for Discussion

April 10, 2024

At the 1/31/2024 meeting, the Board directed staff to return with a refined growth plan based on the Board's input.

The board considered our growth hypothesis and instructed us to return to the April 10, 2024 meeting with a detailed plan including the following direction:

1. Increase the number and proportion of students learning at high levels within our existing schools and maximize the grade levels we serve under existing charters.
2. Open new schools in similar communities of California, prioritizing areas reasonably close to existing schools and in clusters according to the demographic analysis: Salinas, Los Baños/Merced, Santa Maria/Paso Robles, and Stockton. (Wait on Out-of-CA)
3. Adopt existing schools into our network with tremendous caution, first completing the Hayward adoption and developing a thoughtful process for outreach, decision making, promising practice identification, and integration.
4. Integrate high schools into all of our growth work and develop strong articulation and alumni support strategies.
5. Use operational and instructional services as strategies for partnerships as opposed to becoming primarily revenue generation focused.
6. Develop the internal infrastructure needed to support both operations and growth.
7. Develop a comprehensive leadership development pipeline for site and instructional leadership.

At the 1/31/2024 meeting, staff presented the following themes:

1. Increase the number and proportion of students learning at high levels within our existing schools and maximize the grade levels we serve under existing charters
2. Start new schools regionally in CA
3. Adopt existing schools into our network
4. High Schools
5. Provide operational and instructional support to existing, new, and partner schools
6. Develop the internal infrastructure needed to support both operations and growth
7. Develop a comprehensive leadership development pipeline for site and instructional leadership.

Staff included a potential recommendation with actions addressing each theme.

Growth Strategy	Now	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Total Schools	Total Students (at Capacity)
1. Perfect our program at current scale	4							4	2,360
2. Open new schools in CA	Yes		1	2	2	2	2	9	5,400
3. Adopt existing schools	Go identify in more detail		1-6	TBD	TBD	TBD	TBD	6	3,000
4. High schools	Counseling and New Schools as part of TK-12		1	2	2				3,000
5. Services partnerships	Selectively, as a form of adoption-lite when MR not possible	1	1	1	1	1	1	6	[3,000]
6. Open schools outside of CA	Not Yet				3	3	3	9	5,400



As staff has refined the plan, we propose a more focused effort: Recommended 5-Year Growth Plan Themes

By 2033-34, Navigator Schools will operate 14 schools (4 existing TK-8 plus 10 new TK-12) serving more than 12,000 students well. To do this, we will:

- 1. Keep our promises to current students, families, staff, and schools.**
- 2. Scale with quality in California with a TK-12 offering.**
- 3. Strengthen Support Office capacity.**

Staff recommend a more limited program, concentrating our efforts on the work we do well in communities we know best.

Growth Strategy	Now	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Total Schools	Total Students (at Capacity)
1. Perfect our program at current scale	4							4	2,360
2. Open new schools in CA as TK-12	Yes		1	1	2	2	4	10	9,800
3. Adopt existing schools	Go identify in more detail		1-6	TBD	TBD	TBD	TBD	6	3,000
4. High schools	Counseling and New Schools as part of TK-12		4	2	2				3,000
5. Services partnerships	Selectively, as a form of adoption-lite when MR not possible	4	4	4	4	4	4	6	[3,000]
6. Open schools outside of CA	Not Yet				3	3	3	9	5,400

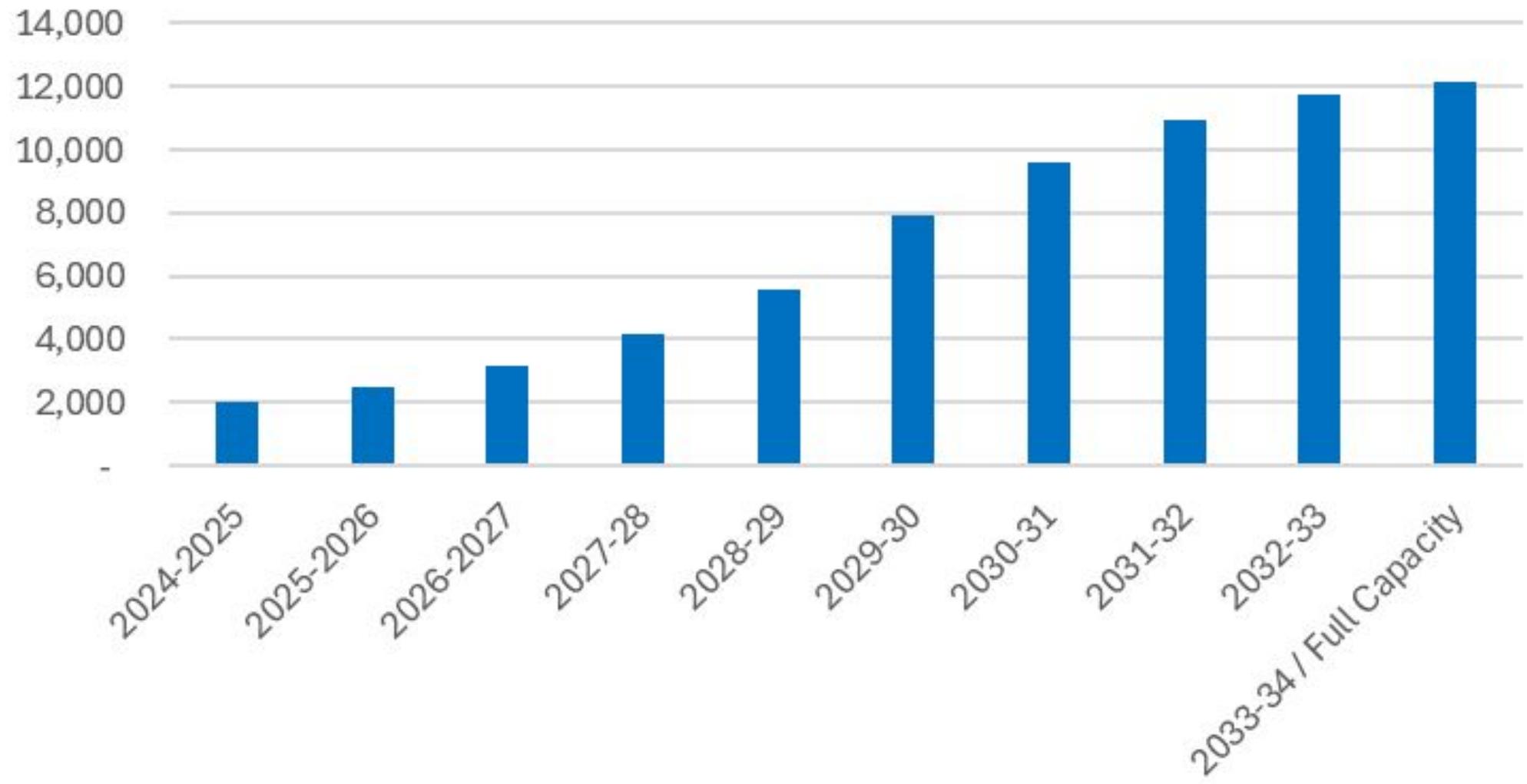


Staff recommends a five-year plan to open 10 new schools and grow them to capacity by 2032-33

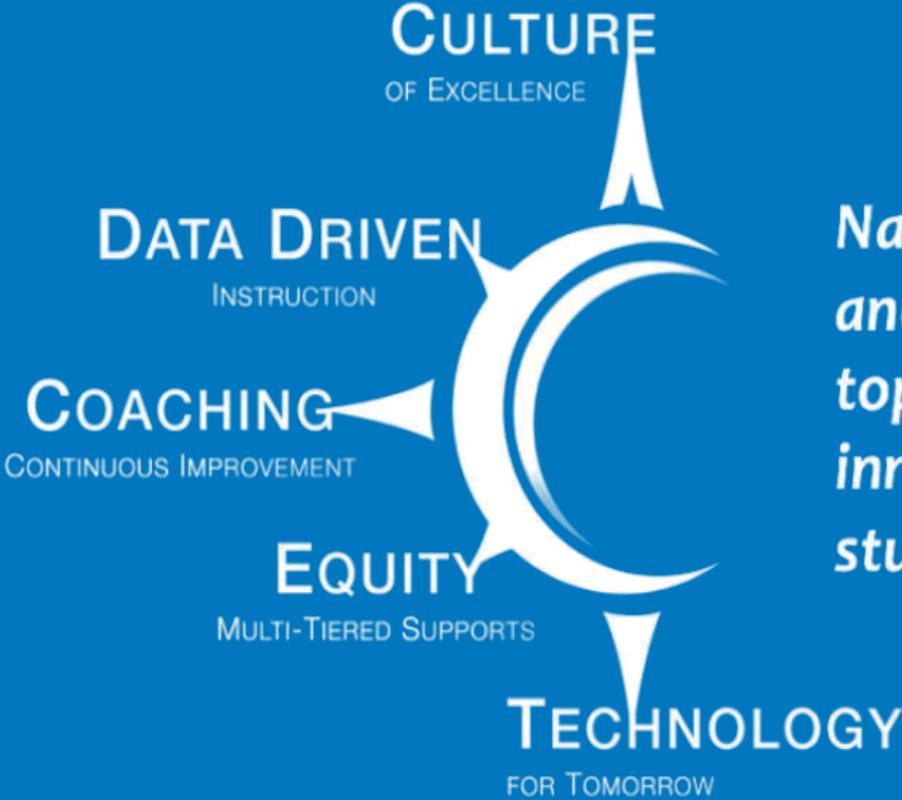
		GROWTH PLAN HORIZON									
School Name	Grades Served at Full Enrollment	2024-2025	2025-2026	2026-2027	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Full Capacity
New School 1 (Salinas)	TK-12		300	515	730	885	980	980	980	980	980
New School 2 (Los Banos ie Merced Anchor)	TK-12			300	515	730	885	980	980	980	980
New School 3 (Santa Maria ie San Luis Obisibo anchor)	TK-12				300	515	730	885	980	980	980
New School 4	TK-12				300	515	730	885	980	980	980
New School 5	TK-12					300	515	730	885	980	980
New School 6	TK-12					300	515	730	885	980	980
New School 7	TK-12						300	515	730	885	980
New School 8	TK-12						300	515	730	885	980
New School 9	TK-12						300	515	730	885	980
New School 10	TK-12						300	515	730	885	980
NEW SCHOOL SUB-TOTAL			300	815	1,845	3,245	5,555	7,250	8,610	9,420	9,800



Enrollment Growth Over Time



Our growth plan is consistent with our mission and compass.



Navigator Schools equips students to become learners and leaders in high school, college, and beyond. We develop top-tier teams of educators who continuously improve and innovate schools that deliver phenomenal outcomes for all students, regardless of their circumstances.

Growth Theme 1 = Keep our promises to current students, families, staff, and schools.

Culture of Excellence

1. Add Alumni Counselors by 2024-25 to support our 8th graders in high school selection and support their high school years to and through college.
2. Support students' development of durable skills through Squads, Valor, Second Step, and other structured programs.
3. Invest in family engagement and community partnerships to ensure that we are reaching and serving families and communities consistent with our mission.

Data Driven Instruction

4. Implement a comprehensive data strategy to fully inform instructional and operational decision making.

Coaching Continuous Improvement

5. Invest in continued instructional staff coaching to maintain our teams of top instructional staff.
6. Select and roll out new ELA curriculum, science, arts and electives; implement the curriculum well, acknowledging it will impact schedules.
7. Continue Navi Impact mentoring as grant funding allows and integrate Navi Impact into internal professional development.

Growth Theme 1 = Keep our promises to current students, families, staff, and schools.

Equity, Multi-tiered Supports

8. Improve supports and instructional strategies for Multi-Language Learners over 3 years with annual growth targets.
9. Advance our full-inclusion special education model through professional development and partnerships to improve access to specialized talent.
10. Complete material revision and facilities strategy to reach TK-8 at all current schools.
11. Increase our capacity to raise funds for both growth and programs.
12. Explore strategies to equalize per pupil facilities funding costs across school sites.
13. Implement equity audit findings in 2024-25 (audit currently in progress).

Technology for Tomorrow

14. Continue to invest in instructional technology and innovation for students, staff, and families.

We anticipate the following investments to Enable Growth Theme 1 over the coming three years.

These investments are contemplated in the Multi-Year Projections for Existing Schools. Specifically we are recommending to add:

- Alumni Counselors
- New curricula
- Multi-Language Learner supports
- Implement equity audit findings
- Improved data capacity
- Strengthened Support Office capacity

The five-year budget projection for Growth Theme 1 will primarily be funded by traditional operating funds and specialized program grants.

5 Year Multi Year Projection					
	2024-25	2025-26	2026-27	2027-28	2028-29
Enrollment	1992	2148	2300	2330	2330
Revenue	\$ 40,043,892	\$ 43,574,942	\$ 47,114,177	\$ 49,071,934	\$ 50,102,824
Expense	\$ 37,331,680	\$ 41,146,142	\$ 44,485,930	\$ 46,211,810	\$ 47,370,665
Net Income	\$ 2,712,212	\$ 2,428,799	\$ 2,628,247	\$ 2,860,123	\$ 2,732,159
Beginning Fund Balance	\$ 11,365,519	\$ 14,077,731	\$ 16,506,531	\$ 19,134,778	\$ 21,994,901
Ending Fund Balance	\$ 14,077,731	\$ 16,506,531	\$ 19,134,778	\$ 21,994,901	\$ 24,727,060

Growth Theme 2 = Scale with quality in California with a TK-12 offering.

We plan to open 10 new schools, all TK-12, in 5 years. We believe we will be most successful opening new schools in regions where there are:

- Students similar to those with whom we are showing the most success (low-SES, high Multiple Language Learner, Latinx, immigrant, rural/exurban)
- Districts with increasing or stable enrollment
- Neighborhoods with ultra-low performing elementary and middle schools
- Regions where agricultural land is giving way to housing

CSGF provided us with a regional analysis based on a set of criteria we created. The slides that follow outline strong possibilities.

We asked CSGF to assess six target growth areas.

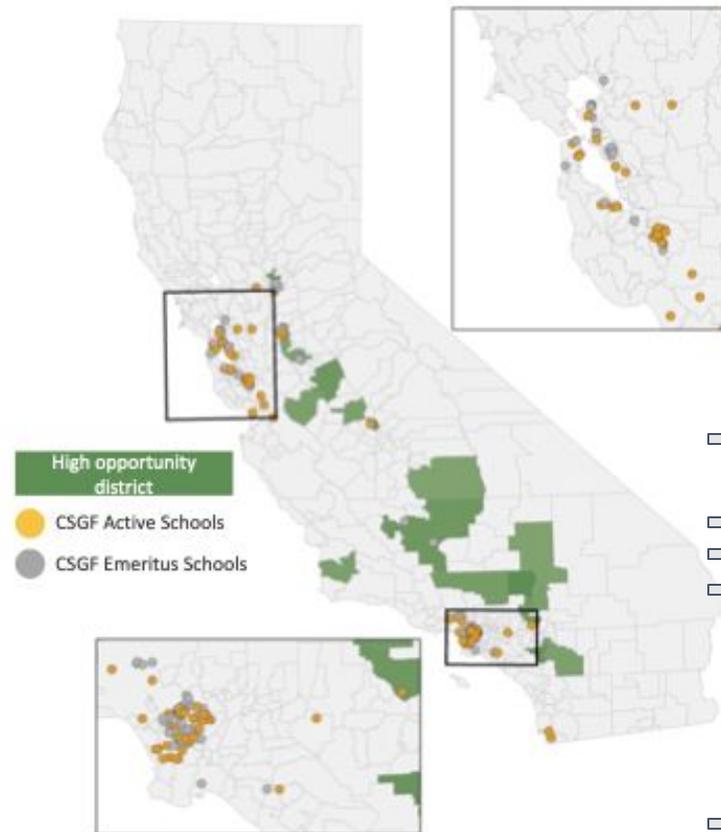
Metric Summary of High School or Unified Areas in Proposed Targets for Expansion

Area	County	Opportunity Score	2022-23 Enrollment	5-Year Historic Trend	% EcoDis	% Black and Latino	% MLL	% SwD	Access to Quality (% Met ELA / Math)	Charter Share
Merced Union High	Merced	4.3	33,421	+3%	53%	75%	12%	12%	38% / 22%	2%
Los Banos Unified	Merced	3.9	10,178	+2%	78%	87%	25%	14%	33% / 18%	0%
Salinas Union High	Monterey	3.8	34,610	-4%	81%	90%	21%	12%	35% / 20%	1%
North Monterey County Unified (Prunedale)	Monterey	3.4	4,083	-3%	80%	90%	47%	13%	27% / 10%	0%
Monterey Peninsula Unified (Seaside)	Monterey	3.0	9,430	-6%	64%	66%	26%	16%	38% / 21%	10%
Cabrillo Unified (Half Moon Bay)	San Mateo	2.1	2,518	-14%	36%	53%	18%	16%	44% / 30%	0%



CSGF also provided a statewide analysis based on our criteria.

Most of the highest opportunity locations are in the Central Valley



High School Location Opportunity Scores are created by rolling up elementary data to their High School or Unified district component to create a geographic view of opportunity across the state.

The areas of highest opportunity are:

Geographic Area Name	County	# Feeder Districts	Total Score
Victor Valley Union High	San Bernardino	5	4.7
Stockton Unified	San Joaquin	1	4.4
Perris Union High	Riverside	5	4.4
Kern Union High	Kern	25	4.3
Merced Union High	Merced	11	4.3
Fresno Unified	Fresno	1	4.3
San Bernardino City Unified	San Bernardino	1	4.2
Twin Rivers Unified	Sacramento	3	4.2
Hesperia Unified	San Bernardino	1	4.1
Antelope Valley Union High	Los Angeles	9	4.1
Hemet Unified	Riverside	1	4.0
Santa Maria Joint Union High	Santa Barbara	5	4.0
Madera Unified	Madera	1	4.0



Note: Map is of High-School-Area opportunity scores, which roll up all Elementary districts to their secondary component

Opening TK-12 schools will require a “Navi-way” approach to high school that will be defined over the next few months.

We plan to:

- Learn from our friends at Polytechnic Academy
- Draw from the best high school models in the country
- Hire a Director of High Schools to lead our new strategy
- Partner with providers of college and career pathways
- Delay the start of high school grades until 2026-27, the second year of our proposed Salinas Area first new school to give us time to design and codify the approach, make curricular decisions, recruit teachers, and train (see year-by-year TK-12 launch pattern on next slide)

Grow our new schools slowly to ensure quality.

	Year 1	Year 2	Year 3	Year 4	Year 5
TK	60	60	60	60	60
K	60	60	60	60	60
1	60	60	60	60	60
2	60	60	60	60	60
3		60	60	60	60
4			60	60	60
5	60	60	60	60	60
6		60	60	60	60
7			60	60	60
8				60	60
9		95	95	95	95
10			95	95	95
11				95	95
12					95
TOTALS	300	515	730	885	980

We plan to raise grant funds to enable Growth Theme 2= Scale with quality in California with a TK-12 offering.

These investments are embedded in the New School columns of the Multi-Year Projections for Growth. Specifically we have budgeted for the following school site roles:

<u>Add in Year -1 and continue in Year 0</u>	<u>Add in Year 0</u>
Community Engagement Facilitator	Family/Enrollment support (3-4 part-time)
Community Engagement Consultant	Year 0 Principal
TK-12 Site School Admin Director	Year 0.5 VP (6 months before opening)
Facilities Acquisition Director	Office Manager (3 months before opening)

*Year -1 is 24-13 months prior to opening
Year 0 is 12-1 month prior to opening

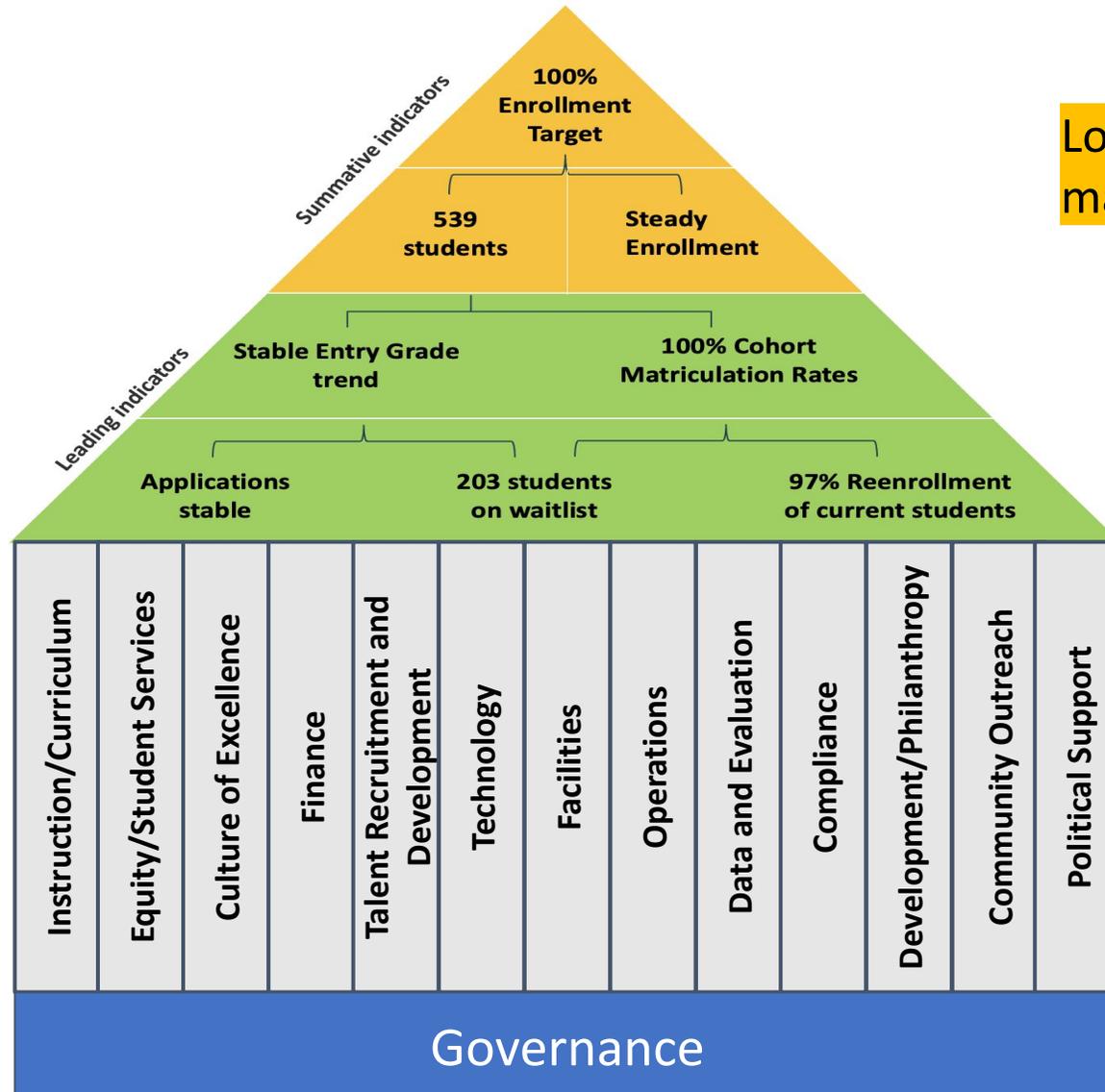
Growth Theme 3 = Strengthen Support Office Capacity.

The Growth Strategy Team has done a department-by-department analysis of the strengths and opportunities as we contemplated Growth Themes 1 & 2.

The following are areas of needed investment:

- Academic and operational data systems integration
- More strategic use of technology inside and outside of classrooms
- Leadership development to enable new schools led by existing Navigator team members
- Deeper teacher recruitment and onboarding once growth begins
- Development of a robust career pipeline for future leadership
- Deep local community engagement and stakeholder cultivation strategies
- Facilities development leadership
- Growth project management leadership

We must develop the internal infrastructure needed to support both operations and growth to accomplish Growth Themes 1 & 2 simultaneously.



Long-term strength depends on consistently maintained effective systems and practices.



Investments to Enable Growth Theme 3: We plan to request funding from grant makers to hire a growth team.

These investments are embedded in the Support Office columns of the Multi-Year Projections for Growth. Specifically we have budgeted for the following additional capacity

<u>Add in 2024-25 and continue over plan horizon</u>	<u>Add in 2025-26 and continue over plan horizon</u>
Director of Community Engagement (an additional 50%)	Chief of External Affairs
Director of Staff Recruitment	Director of High Schools
Director of IT (an additional 50%)	Director of Communications
	Chief Growth Officer
	Teacher PD & Career Development Lead
	Data Analytics Lead

Investments to Enable Growth Theme 3 (cont'd)

The following roles are anticipated to have additional growth-related responsibilities where additional investment / capacity is expected for completing a higher volume of work or additional codification to ensure new schools operated with fidelity to the Navi Way. These roles are assumed in 2025-26.

- FP&A/Budget Analyst
- HR Generalist
- STEM lead
- Humanities lead
- Arts & Electives lead
- Spec Pops lead

To enable Growth Themes 1 - 3, Navigator Schools will pursue funding from the following sources:

- US Department of Education's Charter School Program Competition for CMOs to Replicate and Expand. This competition provides up to \$2M / new school and can be used 18 months before opening (Year -1) thru full enrollment. It also allows for Support Office funding as long as it enables growth. (\$20M is built into the Multi-Year Projections for Growth.)
- Charter School Growth Fund, assumed at \$250K / new school. \$2.5M is built in. This is a conservative number.
- Silicon Valley Schools Fund, assumed at \$250K / new school. \$2.5M is built in.

Financial assumptions for the growth plan show a reasonable path forward.

The aforementioned revenue covers every school to operate with positive net income each year of operation, including Year -1 and Year 0.

It also enables each school to contribute to the Growth Support Office Team at the following graduated rates depending on the year of operation:

Year of Operation	% of Total Revenue
1	10%
2	6%
3	2%
4	1%
5	No growth support; moves to exiting school contribution of 14%

Financials: This plan will likely require ~\$1M to “front-load” the growth team.

The Growth Support Office Team operates at a cash deficit for the first three years of supporting the new schools, due to the small number of schools and their limited enrollment. Therefore, Navigator needs to invest ~\$1M (either raised from philanthropy or utilize current fund balance) so that the schools are fully covering growth costs by Year 4 of the plan.

The Navigator Growth Strategy Team feels that this investment is necessary, phased in across 2024-26 as presented in the Multi-Year Projected Growth Financials, to facilitate growing with quality.

The five-year budget projection for Growth Themes 2 & 3 will require support from foundations and the US Department of Education.

Growth 5 Year Multi Year Projection

	2024-25	2025-26	2026-27	2027-28	2028-29
Enrollment	0	300	815	1845	3245
Revenue	\$ 800,000	\$ 7,394,779	\$ 15,224,390	\$ 32,031,786	\$ 52,458,161
Expense	\$ 972,365	\$ 8,062,235	\$ 15,167,086	\$ 31,513,564	\$ 51,559,749
Net Income	\$ (172,365)	\$ (667,456)	\$ 57,304	\$ 518,222	\$ 898,413
Beginning Fund Balance	\$ -	\$ (172,365)	\$ (839,821)	\$ (782,517)	\$ (264,296)
Ending Fund Balance	\$ (172,365)	\$ (839,821)	\$ (782,517)	\$ (264,296)	\$ 634,117

Thank you!



Navigator Schools

Charting a new course in education