

**Amendment to split eStem Elementary School between
112 W. 3rd St. and 123 W 3rd St. Little Rock, AR 72201**



Charter Amendment Request Form

The Charter Amendment Request Form and all required documentation must be received via email (ade.charterschools@ade.arkansas.gov) at the Arkansas Department of Education at least 35 days prior to the Charter Authorizing Panel meeting.

Charter Name: eStem Public Charter Schools **LEA:** 6047700

Superintendent or Director: Nicholas Patterson

Email: nick.patterson@estemschools.org **Phone:** 501-324-9202

Type of Amendment(s) Requested

☐ **Add a New Campus** (Must also submit the Facilities Utilization Agreement)

Address: _____

School District: _____

☒ **Relocate Existing Campus** (Must also submit the Facilities Utilization Agreement)

Campus Name: eStem Elementary School (6047701)

Current Address: 112 West 3rd St. Little Rock, AR 72201

Proposed Address: 112 and 123 West 3rd St. Little Rock, AR 72201

School District: eStem Public Charter Schools

☐ **Increase Enrollment Cap**

Current Cap: _____

Proposed Cap: _____

☐ **Change Grade Levels Served**

Current Grade Levels Served: _____

Proposed Grade Levels Served: _____

☐ **Waiver(s)**

Statute/Standard/Rule to be Waived: _____

Rationale for Waiver:

Statute/Standard/Rule to be Waived: _____

Rationale for Waiver:

Statute/Standard/Rule to be Waived: _____

Rationale for Waiver:

Statute/Standard/Rule to be Waived: _____

Rationale for Waiver:

Facilities Utilization Agreement

To be completed and submitted with an amendment request to add a new campus or relocate an existing campus

Lessor (Owner): eStem Public Charter Schools, Inc.

Lessee (Tenant): eStem High Public Charter Schools, Inc.

Information regarding affiliation, family ties or other relationships between the Lessor and Lessee:
eStem Public Charter Schools, Inc. is the Charter Management Organization supporting

eStem High Public Charter Schools, Inc.

Address of Premises: 112 and 123 West 3rd St. Little Rock, AR 72201

Describe the present use of the facility: Both facilities are currently being used as eStem Charter Schools.

Square Footage: 112 - 66,402 sqft; 123 - 41,400 sqft Rental Amount: \$47,944 monthly combined

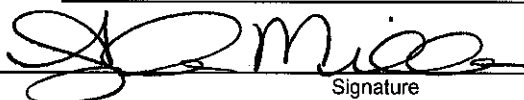
Terms of Lease: Current rates through 9/1/27; reevaluation for 30 year financing on that date.

Contingency: The terms of this agreement are contingent upon eStem Public Charter Schools
Charter School receiving approval by the Authorizer to operate an open-enrollment public charter
school at the premises identified.

No indebtedness of any kind incurred or created by the open-enrollment public charter school shall constitute an indebtedness of the State of Arkansas or its political subdivisions and no indebtedness of the open-enrollment public charter school shall involve or be secured by the faith, credit or taxing power for the state or its political subdivisions. An open-enrollment public charter school shall not incur any debt, including lease, without the prior review and approval of the Commissioner of Education.

We affirm that the facility is, or will be prior to charter occupancy, compliant with ADE/IDEA accessibility regulations and will remain so while the charter occupies the location.

Lessee: Angela Miller

By:  Date: 5/14/2025
Signature

Lessor: Nicholas Patterson

By:  Date: 5/14/2025
Signature

Budget Projections Related to Charter Amendment Request

- eStem Public Charter Schools projects \$27,704,252 in district-wide recurring income for the 2025-2026 school year.
- eStem Public Charter Schools is using the following guardrails to budget expenses for the 2025-2026 school year:
 - 65% of recurring revenue on personnel
 - 23% of recurring revenue on non-personnel, non-facility expenses
 - 12% of recurring revenue on facilities expenses
- The staffing structure associated with this proposed charter amendment represents a district-wide personnel cost of 61% of recurring revenue. This represents a 4% savings from our guardrail, allocated for personnel expenses.
- As a result of this restructuring, eStem Public Charter Schools will also save up to \$1,100,000 annually in facilities costs due to operating four buildings instead of five.
- Another aspect of this restructuring plan is non-renewing the lease on our CMO office space. This represents a savings of over \$220,000 per year.
- Some of the initial savings from our new staffing structure (\$1,108,170), reduced facilities cost (up to \$1,100,000), and the non-renewal of the CMO's lease (\$220,000) will be used to fund the implementation of this restructuring plan.
- Overall, this restructuring plan does not impose an undue financial burden on the charter and will improve its financial health and sustainability for the 2025-2026 school year and beyond.

eSTEM Public Charter School
701 - eStem Elementary School
ENROLLMENT REPORT
Enrollment Date: May 13, 2025

Enrollment Count		01	02	03	04	05	06	KF	Race Totals
Asian	Females						1		1
	Gender Totals						1		1
Black	Females	49	44	36	44	36	42	26	277
	Males	37	36	42	29	34	36	25	239
	Gender Totals	86	80	78	73	70	78	51	516
Hawaiian/Pacific Islander	Males		1						1
	Gender Totals		1						1
Hispanic	Females	3	2	4	2	5	3	4	23
	Males	3	4	3	4	4	7	5	30
	Gender Totals	6	6	7	6	9	10	9	53
Native American	Females	1							1
	Gender Totals	1							1
Two or More	Females	1	3	3	3	3	3	1	17
	Males		2	1	3	4	3	3	16
	Gender Totals	1	5	4	6	7	6	4	33
White	Females	2	5	2	2	5	3	5	24
	Males	5	1	2	5	3	2	1	19
	Gender Totals	7	6	4	7	8	5	6	43
Grade Totals		101	98	93	92	94	100	70	648

Current year to date enrollment by grade and race for eStem Elementary School

eSTEM Public Charter School

ENROLLMENT REPORT

Enrollment Date: May 13, 2025

Enrollment Count		01	02	03	04	05	06	07	08	09	10	11	12	KF	Race Totals
Asian	Females		1		1		1					1	1		5
	Males				1			1	1		2	2	1		8
	Gender Totals		1		2		1	1	1		2	3	2		13
Black	Females	81	64	67	81	64	72	57	71	62	56	48	54	51	828
	Males	69	73	76	53	72	73	81	67	48	45	53	48	55	813
	Gender Totals	150	137	143	134	136	145	138	138	110	101	101	102	106	1,641
Hawaiian/Pacific Islander	Females										2				2
	Males		1							1					2
	Gender Totals		1							1	2				4
Hispanic	Females	7	6	10	4	10	5	9	11	7	10	14	10	8	111
	Males	6	5	9	8	7	12	10	13	13	15	14	9	10	131
	Gender Totals	13	11	19	12	17	17	19	24	20	25	28	19	18	242
Native American	Females	1								1	1	1			4
	Males	2													2
	Gender Totals	3								1	1	1			6
Two or More	Females	2	4	7	6	4	6	4	6	8	6	3	6	2	64
	Males	6	6	2	5	6	6	3	5	2	3	3	4	7	58
	Gender Totals	8	10	9	11	10	12	7	11	10	9	6	10	9	122
White	Females	4	8	4	6	11	8	10	13	8	6	7	9	7	101
	Males	9	8	4	10	10	5	14	14	12	12	28	24	1	151
	Gender Totals	13	16	8	16	21	13	24	27	20	18	35	33	8	252
Grade Totals		187	176	179	175	184	188	189	201	162	158	174	166	141	2,280

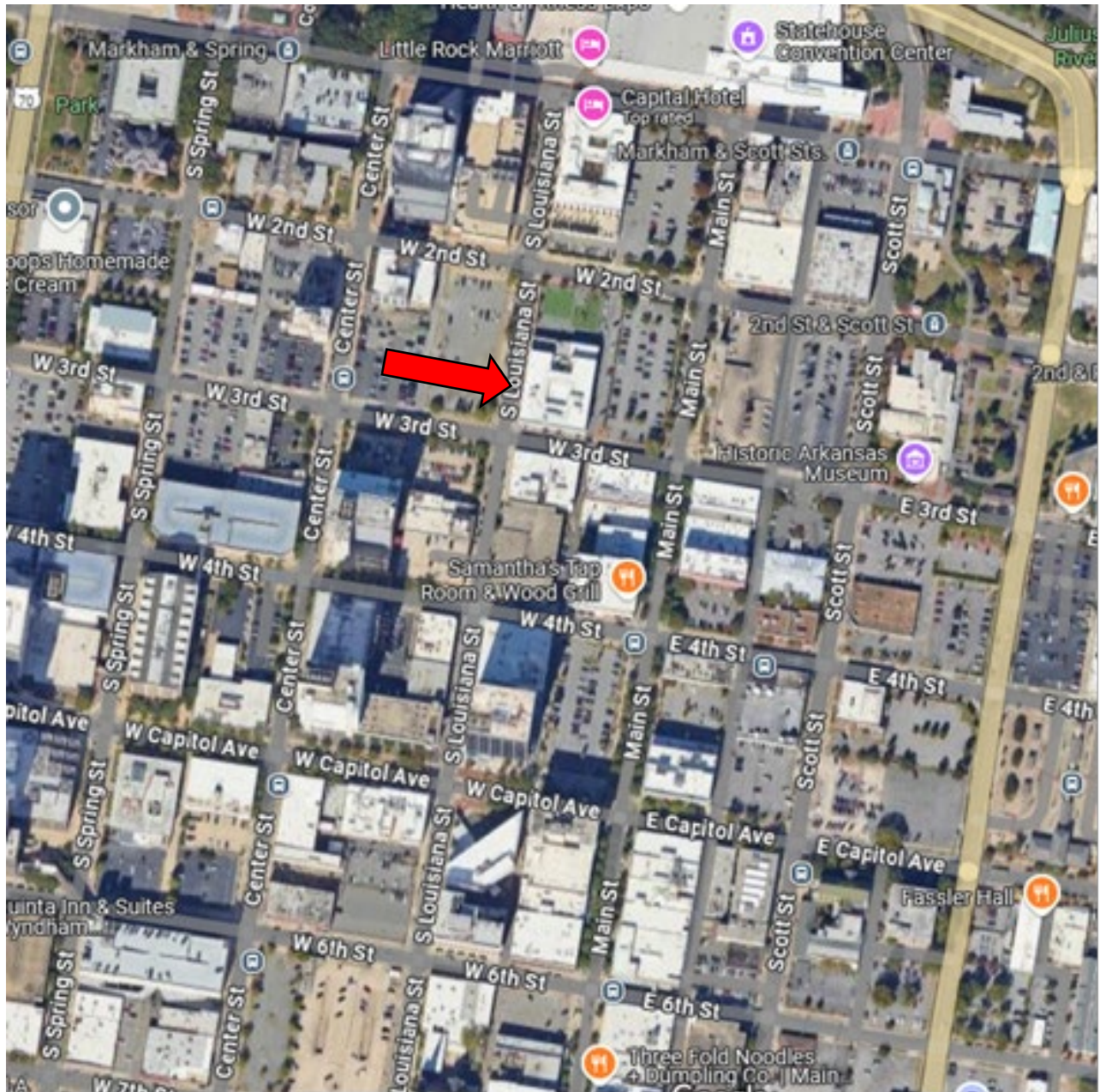
Current year to date enrollment by grade and race for entire eStem District

Free and Reduced Lunch

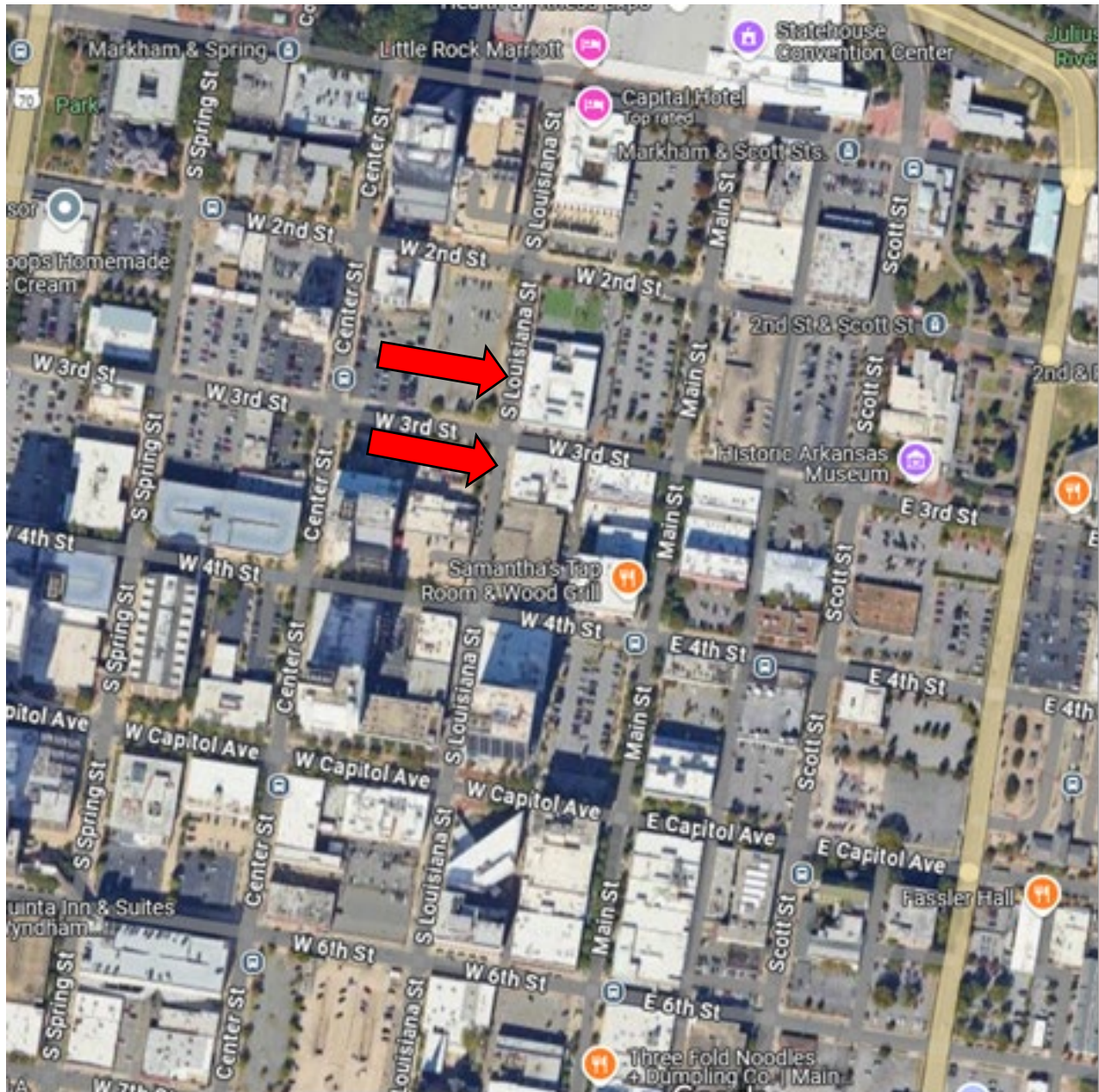
As of 05/13/2025	F/R %	ENROLLMENT
Downtown Elementary	85.19%	648
Downtown Junior High	77.18%	390
East Village Elementary	82.81%	582
High School	69.09%	660
DISTRICT	78.55%	2280

Current year to date free and reduced lunch rates per school and as a district

Current Location of eStem Elementary School – 6047701 – 123 W. 3rd St. Little Rock, AR 72201



Proposed Location of eStem Elementary School – 6047701 – 112 and 123 W. 3rd St. Little Rock, AR 72201



eStem Public Charter Schools Desegregation Analysis

eStem Public Charter Schools (eStem) is seeking an amendment of its open-enrollment charter from the State's charter authorizer. eStem's campuses are all located within the boundaries of the Little Rock School District and, as an open-enrollment public charter school unconfined by district boundaries, expects to continue to obtain most of its students from within the boundaries of the Little Rock (LRSD), North Little Rock (NLRSD), Pulaski County (PCSSD) and Jacksonville-North Pulaski (JNPSD) school districts. eStem's charter amendment is not seeking to modify or increase its enrollment cap.

I. The Status of Pulaski County Desegregation Litigation

eStem is providing this desegregation analysis in accordance with Ark. Code Ann. §6-23-106 to review the potential impact that its amendment request would have upon the efforts of all four (4) of the Pulaski County school districts to comply with court orders and statutory obligations to create and maintain a unitary system of desegregated public schools. In conducting its review, eStem has substantiated that the LRSD and the NLRSD have been declared unitary in all respects of their school operations. The Pulaski County desegregation litigation was first filed in 1982. *Little Rock School District, et al v. Pulaski County Special School District, et al.*, Case No. 4:82:cv-00866-DPM. In 1989, the parties entered into a settlement agreement (the "1989 Settlement Agreement") under which the Arkansas Department of Education, the then-three (3) Pulaski County school districts, and the intervenors agreed to the terms of state funding for desegregation obligations.

LRSD successfully completed its desegregation efforts in 2007 and was declared fully unitary by the federal court in 2007. *Little Rock School District v. Pulaski County Special School District*, Case No. 4:82-cv-0866 (E.D. Ark.), Order filed February 23, 2007. In 2010, LRSD filed a motion to enforce the 1989 Settlement Agreement. The motion contended that operation of open-enrollment public charter schools within Pulaski County interfered with the "M-M Stipulation" and the "Magnet Stipulation." On January 17, 2013, Judge D.P. Marshall Jr. denied LRSD's motion, stating:

"The cumulative effect of open enrollment charter schools in Pulaski County on the stipulation magnet schools and M-to-M transfers has not, as a matter of law, substantially defeated the relevant purposes of the 1989 Settlement Agreement, the magnet stipulation, or the M-to-M stipulation."

Little Rock School District v. Pulaski County Special School District, Case No. 4:82-cv-0866 (E.D. Ark.), Order filed January 17, 2013. LRSD appealed to the Eighth Circuit Court of Appeals.

One (1) year later, on January 13, 2014, Judge Marshall approved a Settlement Agreement that included a provision stipulating to the voluntary dismissal with prejudice of LRSD's pending appeal concerning the charter school issues. In light of LRSD's unitary status and the parties' 2014 Settlement Agreement, eStem's charter amendment request cannot interfere with the purposes of the Pulaski County desegregation litigation, which has been fully concluded as to LRSD. After the dismissal and the settlement agreement, the case was completely concluded for all purposes as to LRSD, and the federal

court terminated all jurisdiction in the matter. Because of that, there is no possibility that eStem's charter amendment request could impact LRSD's unitary status. To be clear, eStem's charter amendment request cannot impact LRSD's unitary status because 1) there is no case in which LRSD's unitary status could be an issue; 2) LRSD made a claim regarding operation of open-enrollment charter schools in federal court in 2010 and lost it; and 3) as a consequence of the 2014 Settlement Agreement, the LRSD released any claims it had concerning the charter school issues. On January 30, 2014, the Court also approved a stipulation among the parties that PCSSD is unitary in the areas of Assignment of Students and Advanced Placement, Gifted and Talented and Honors Programs. Based on the stipulation, the Court released PCSSD from supervision and monitoring in these areas. Thus, as of January 30, 2014, LRSD, NLRSD and PCSSD are unitary in the area of student assignments. On April 4, 2014, the court found that PCSSD is unitary in the areas of Special Education and Scholarships. Subsequently, PCSSD was also found to be unitary in the areas of Staff and Monitoring. Pursuant to Judge Marshall's order on May 6, 2021, both PCSSD and JNPSD are unitary in all areas except School Facilities.

Upon review, eStem believes that its charter amendment request shall have no negative effects on the efforts of the PCSSD and JNPSD to attain unitary status.

II. Data

According to the most current enrollment figures as maintained by the DESE Data Center, LRSD had a student population of 19,952 students, of which 58.6% were Black/African-American; 19.3% were White, and 16.7% were Hispanic. NLRSD's student population was 7,295 students, of which 57.7% were Black/African-American; 21.9% were White, and 13.3% were Hispanic. PCSSD's student population was 11,875 students, of which 45.6% were Black/African-American; 34.0% were White, and 11.6% were Hispanic. JNPSD's student population was 4,174 students, of which 52.8% were Black/African-American; 29.5% were White, and 10.0% were Hispanic. eStem's total student population was 2,739 students, of which 70.3% were Black/African-American; 13.3% were White, and 9.7% were Hispanic.

Ark. Code Ann. §6-23-106 requires that eStem's charter amendment request will not serve to hamper, delay, or in any manner negatively affect the desegregation efforts of a public school district or districts within the state. As explained in more detail above, eStem's careful review of the relevant statutes and court orders affecting the LRSD, NLRSD, PCSSD, and JNPSD and their student populations, and its own student population, shows that such negative impact is not present here.

III. Conclusion

eStem submits that upon the basis of its review, neither any existing federal desegregation order affecting the PCSSD, LRSD, NLRSD, and JNPSD, nor the 1989 Settlement Agreement prohibit the State's charter school authorizer from granting its charter amendment request.