

Cause No. D-1-GN-24-005018

Pecos-Barstow-Toyah Independent School District, Crandall Independent School District, Forney Independent School District, Fort Stockton Independent School District, and Kingsville Independent School District	§	In the District Court
<i>Plaintiffs,</i>	§	
v.	§	201st Judicial District
Mike Morath, in his official capacity as Commissioner of Education	§	
<i>Defendant.</i>	§	Travis County, Texas

**IDEA PUBLIC SCHOOLS’
PETITION IN INTERVENTION**

Intervenor, IDEA Public Schools (“Intervenor” or “IDEA”), files this Petition in Intervention as IDEA is a Real Party in Interest in this litigation.

I. INTRODUCTION

1. IDEA Public Schools operates 125 open-enrollment charter school campuses throughout Texas, with a Central Office in Hidalgo County, Texas.

2. On August 12, 2024, Plaintiffs sued Defendant for alleged *ultra vires* conduct related to the A-F performance ratings for the 2023-2024 school year for school districts across the State of Texas.

3. On August 12, 2024, the Court granted an “Order Granting Temporary Restraining Order”.

II. PARTIES

4. Intervenor IDEA Public Schools is a domestic non-profit corporation conducting business in the State of Texas and incorporated under the laws of the State of Texas.

5. Plaintiff School Districts Pecos-Barstow-Toyah Independent School District, Crandall Independent School District, Forney Independent School District, Fort Stockton Independent School District, and Kingsville Independent School District are Texas public independent school districts and are parties to the lawsuit.

6. Defendant Mike Morath, the Texas Commissioner of Education, has made his appearance in this litigation and filed his Answer.

III. STANDARD FOR INTERVENTION

7. IDEA Public Schools has a direct and substantial interest that is affected by this litigation. A party may intervene if it has a justiciable interest in the lawsuit. A party has a justiciable interest in a lawsuit when its interests will be affected by the litigation. *See In re Union Carbide Corp.*, 273 S.W.3d 152, 155 (Tex. 2008); *Law Offices of Windle Turley, P.C. v. Ghiasinejad*, 109 S.W.3d 68, 70 (Tex. App.—Fort Worth 2003, no pet.).

8. “Any party may intervene [in a case] by filing a pleading, subject to being stricken out by the court for sufficient cause on the motion of any party.” TEX. R. CIV. P. 60. An intervenor is not required to secure a court’s permission to intervene in a cause of action or establish standing. *Guar. Fed. Sav. Bank v. Horseshoe Operating Co.*, 793 S.W.2d 652, 657 (Tex. 1990). An intervenor need only show a “justiciable interest in a pending suit to intervene in the suit as a matter of right.” *In re Union Carbide Corp.*, 273 S.W.3d 152, 154 (Tex. 2008). “A party has a justiciable interest in a lawsuit, and thus a right to intervene, when his interests will be affected by the litigation.” *Jabri v. Alsayyed*, 145 S.W.3d 660, 672 (Tex. App.—Houston [14th Dist.]2004, no pet.) (citing *Law Offices of Windle Turley v. Ghiasinejad*, 109 S.W.3d 68, 71 (Tex. App.—Fort Worth 2003, no pet.)). “The interest asserted by the intervenor may be legal or equitable.” *Guar. Fed. Sav. Bank*, 793 S.W.2d at 657 (citation omitted).

9. “A person or entity has the right to intervene if the intervenor could have brought the same action, or any part thereof, in his own name, or, if the action had been brought against him, he would be able to defeat recovery, or some part thereof.” *Guar. Fed. Sav. Bank v. Horseshoe Operating Co.*, 793 S.W.2d 652, 657 (Tex. 1990)(citing *Inter-Continental Corp. v. Moody*, 411 S.W.2d 578, 589 (Tex. Civ. App.—Houston [1st Dist.] 1966, writ ref’d n.r.e.); *Texas Supply Center, Inc. v. Daon Corp.*, 641 S.W.2d 335, 337 (Tex. App.—Dallas 1982, writ ref’d n.r.e).

10. “[T]he trial court has broad discretion in determining whether an intervention should be stricken, [however,] it is an abuse of discretion to strike a plea in intervention if (1) the intervenor meets the above test, (2) the intervention will not complicate the case by excessive multiplication of the issues, and (3) the intervention is almost essential to protect the intervenor’s interest effectively. *Moody*, 411 S.W.2d at 589; *Daon Corp.*, 641 S.W.2d at 337. Courts have consistently upheld the right to intervene when the intervenor can show a direct and substantial interest impacted by the litigation. *See, e.g., Cheatham v. Pohl*, 690 S.W.3d 322, 329 (Tex. App.—Houston [1st Dist.] 2022).

IV. IDEA PUBLIC SCHOOL’S INTEREST IN THE LAWSUIT

11. IDEA Public Schools has a direct and substantial interest in the outcome of this litigation, which grants it standing to intervene. As a Texas non-profit charter school holder, IDEA operates under the Texas Education Agency’s A-F accountability system to shape its educational strategies, influence public perception, and determine student enrollment patterns. Additionally, the A-F ratings directly impact IDEA’s state funding and competitive grant application making these ratings a critical component of IDEA’s operational viability.

12. Furthermore, IDEA Public Schools could have independently initiated the suit because charter schools, like IDEA, are uniquely and more significantly impacted by A-F ratings than traditional public schools. Unlike independent school districts (“ISD”), charter schools face

greater scrutiny and rely more heavily on these ratings for critical aspects such as expansion opportunities and regulatory compliance. The A-F system's influence on charter schools extends beyond public perception; it is intrinsically tied to their ability to survive and grow within the educational landscape. Consequently, any legal determinations regarding the A-F system disproportionately affect charter schools, further justifying IDEA's right to intervene.

13. IDEA Public Schools is among Texas's largest and most well-known charter school networks, with 125 campuses operating statewide. As a significant provider of public education, the scope and scale of IDEA's operations mean that any changes to the A-F accountability rating system will profoundly impact a significant number of students, families, employees, and communities. The broad reach of IDEA underscores the critical need for stability in the accountability system, making the outcome of this litigation especially significant for IDEA and its stakeholders.

14. The A-F accountability ratings are critical for IDEA Public Schools in numerous ways. These ratings determine eligibility for expansion amendments and growth initiatives, essential for IDEA's ability to serve more students and continue its mission. Additionally, the A-F ratings are tied to IDEA's overall rating under the Charter School Performance Ratings system, influencing IDEA's reputation and standing with the Texas Education Agency.

15. Financially, the A-F ratings directly impact IDEA Public Schools' ability to maintain its investment-grade rating, which is essential for securing favorable bond terms. Any changes to these ratings can influence IDEA's financial stability and capacity to raise capital for expansions and improvements. Given the scale of IDEA's operations, maintaining a strong financial position is critical. The uncertainty introduced by the litigation poses a risk to this financial stability, further underscoring the importance of IDEA's intervention in this case.

16. Moreover, the absence of the 2023-2024 A-F ratings severely hampers IDEA Public Schools' ability to compete for alternative funding sources, including competitive grants and private philanthropic donations, vital for establishing a robust and diversified funding structure. Such funding is essential not only for supporting daily operations and enhancing educational programs but also for driving innovation and maintaining a high standard of education across our campuses. The lack of these performance ratings undermines our credibility and competitive edge when applying for grants, as these ratings are often a critical metric used by funders to assess the effectiveness and accountability of educational institutions. Additionally, these ratings are indispensable for charter schools, like IDEA, to access crucial funding allocated by the Texas legislature for facilities. Without these ratings, IDEA faces significant challenges in securing the financial resources necessary for facility improvements, expansion projects, and other capital needs that directly affect our ability to serve our students effectively and fulfill our educational mission. The interruption of these critical funding streams threatens not only the financial stability of IDEA Public Schools but also the quality of education we provide to our students.

17. The A-F ratings also serve as a transparent measure of IDEA Public Schools' performance, informing parents and the public about IDEA's effectiveness. Without these ratings, student recruitment and retention, as well as resources available for students, could suffer, as parents often rely on accountability metrics to make informed enrollment decisions related to the delivery of educational services for their children.

18. Furthermore, the current litigation and resulting restraining order against the release of A-F performance ratings have prevented IDEA Public Schools from effectively planning and implementing necessary improvements at both the campus and district levels. Without access to

these critical performance metrics, IDEA is unable to accurately assess areas in need of academic or operational enhancement. This obstruction hinders our ability to develop comprehensive campus and district improvement plans, evaluate the performance of key staff, and implement targeted strategies to elevate student outcomes and overall school performance. The absence of this information directly impacts our duty to uphold educational standards and ensure continuous improvement within IDEA's network, thereby disadvantaging the students, families, and communities we serve.

19. The A-F ratings further play a vital role in retaining and recruiting high-quality faculty and staff, reflecting IDEA Public School's success and providing educators with confidence in joining a thriving institution committed to excellence. Furthermore, the A-F ratings help IDEA, and its campuses identify areas for improvement and focus, directly impacting employee performance and the overall quality of education provided. Without these ratings, IDEA's ability to target specific areas for development and maintain high educational standards could be compromised.

20. The legislative intent behind the A-F accountability system is to ensure a transparent and effective evaluation of school performance. This intent is inherently connected to the consistent application of the most accurate and relevant measures, methods, and procedures. Updating the software used to implement these measures, methods, and procedures is crucial in maintaining the integrity of the accountability system, as it allows for incorporating the latest data and analytical tools to accurately assess schools. These updates are essential for aligning the accountability framework with the high educational standards that the legislature envisioned. By embracing these technological advancements, the A-F system can continue to provide reliable and

meaningful evaluations that guide educational improvement and ensure fairness across all public educational institutions, including charter schools like IDEA.

21. The pause in accountability ratings severely undermines IDEA Public School's ability to effectively identify and support students who have not met the required standards on the STAAR test. The Plaintiffs' challenge to the AI grading tool, used for grading the writing portions of the test, has led to uncertainty and delays in obtaining crucial performance data. This delay restricts IDEA's capacity to accurately assess student outcomes, which is essential for planning appropriate interventions. Without timely and reliable data, IDEA cannot strategically place intervention teachers, allocate resources effectively across campuses, or organize mandated intervention classes for students who fail, thus impeding IDEA's efforts to provide targeted educational support and uphold statutory obligations.

22. Further, charter schools such as IDEA Public Schools depend on the A-F accountability ratings to a greater extent than the ISDs plaintiffs in this case. Unlike traditional public school districts, charter schools often face heightened scrutiny from parents, investors, and the broader community due to their unique funding structures and operational models. The A-F ratings serve as a crucial measure of performance and accountability, influencing critical aspects such as funding opportunities, eligibility for expansion, bond underwriting, and overall institutional reputation. For IDEA, the ratings not only reflect educational success but also determine IDEA's ability to maintain and grow its operations, attract students and staff, and secure favorable financial terms. The reliance on these ratings is significantly heightened for charter schools, making the outcome of this litigation particularly consequential for IDEA.

23. Pursuant to Texas Civil Practice and Remedies Code § 37.006(a), all persons who have an interest that would be affected by the declaration sought in this case must be made parties.

IDEA Public Schools has such an interest, as the declaratory relief sought by the Plaintiffs would significantly impact IDEA's operations and the validity of its performance ratings under the Texas Education Agency's accountability system. Therefore, IDEA has both a justiciable interest and a statutory right to intervene in this case.

24. Legal precedents further support this position. In *In re Union Carbide Corp.*, 273 S.W.3d 152 (Tex. 2008), the Texas Supreme Court recognized that a party has a justiciable interest in a lawsuit when its legal rights or interests are impacted by the outcome. Similarly, *Guaranty Fed. Sav. Bank v. Horseshoe Operating Co.*, 793 S.W.2d 652 (Tex. 1990) supports the notion that an intervenor with a justiciable interest has the right to intervene as a matter of law. Additionally, *Ceatham v. Pohl*, 690 S.W.3d 322, 329 (Tex. App.—Houston [1st Dist.] 2022), reinforces that courts consistently uphold the right to intervene when the intervenor has a direct and substantial interest that is affected by the litigation.

25. Intervention, in this case, is not just beneficial but nearly essential to effectively protect IDEA Public Schools' interests. As one of the largest charter school networks in Texas, IDEA faces unique challenges and implications that may not be fully addressed by the existing parties. The outcome of this litigation will directly affect IDEA's operational stability, financial health, and ability to fulfill its educational mission. Given the distinct role that charter schools play within the public education system and the heightened scrutiny they face, IDEA *must* intervene to ensure that its specific interests are adequately represented and protected. Without its participation, there is a significant risk that the Court's decisions could inadvertently overlook or inadequately address the needs of charter schools, leading to adverse consequences for IDEA and its stakeholders.

26. Given that the outcome of this lawsuit will significantly influence IDEA Public Schools' ability to accurately reflect its performance, IDEA has a clear and substantial interest in supporting the Commissioner's actions. IDEA, therefore, has standing to intervene in this case to protect its interests and ensure that the A-F accountability system remains fair, transparent, and effective.

27. Moreover, the intervention of IDEA Public Schools does not complicate the proceedings through excessive multiplication of issues. On the contrary, the intervention will streamline the litigation by addressing the interests of all affected parties in a single legal action. By including IDEA, the Court can ensure that the perspectives and stakes of charter schools are fully considered, thereby reducing the likelihood of subsequent lawsuits on related issues. This approach conserves judicial resources and ensures a more comprehensive and equitable resolution, cutting down on the potential for redundant or parallel litigation.

V. RELIEF REQUESTED

28. Having reviewed the Plaintiff's Application for Temporary Restraining Order and after hearing arguments from counsel for all parties, the Court, on August 12, 2024, granted the Plaintiff's requested Temporary Restraining Order prohibiting the Commissioner of Education and his officers, agents, servants, employees, and attorneys from assigning and/or issuing and/or distributing A-F performance ratings for the 2023-24 school year pending a hearing be held on Plaintiffs' request for temporary injunction.

29. IDEA Public Schools respectfully requests that this Court dissolve the Temporary Restraining Order ("TRO") and deny Plaintiffs' request for injunctive relief because the TRO unjustly hinders the release of the 2023-24 A-F accountability ratings. Preventing the release of the A-F accountability ratings poses a significant risk to IDEA Public Schools' operational and financial stability and its ability to fulfill its educational mission.

30. Therefore, IDEA Public Schools seeks the dissolution of the TRO and denial of any further injunctive relief to ensure the integrity and efficacy of the Texas Education Agency's accountability system.

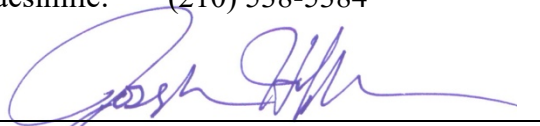
31. All conditions precedent to IDEA Public School's claim for relief have been performed or have occurred.

VI. PRAYER

32. IDEA Public Schools asks the Court to grant its intervention, grant its requested relief, and for any other relief that the IDEA Public Schools is entitled to under law or equity.

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I hereby certify that on August 29, 2024, I served the foregoing document on all counsel of record via e-Serve and pursuant to the Texas Rules of Civil Procedure, as follows:

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