

**Tennessee Department of Education**  
**Application for Charter Schools Program (CSP): Grants for State Educational Agencies**  
**CFDA Number: 84.282A**

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## **Project Narrative**

### ***Absolute Priority 1--Periodic Review and Evaluation***

*Reviews occur annually to evaluate status of charter schools*

Periodic review of charter schools takes place annually through progress reports submitted to the authorized public chartering agency (the “authorizer”) each year of the charter term. Annual progress reports ensure a regular reporting flow of information to the authorizers and makes certain that charter operators and authorizers are aware of progress toward goals. Tennessee Code Annotated (TCA) § 49-13-120(a) specifies these annual reports must include: “(1) The progress of the school towards achieving the goals outlined in its charter; (2) The same information required in the reports prepared by local boards of education pursuant to state laws, rules and regulations; and (3) Financial records of the school, including revenues and expenditures” (see Appendix E-1 for annual report guidance). The authorizer and the Tennessee Department of Education (the “department”) receive and analyze each charter school’s annual report. The authorizer uses annual reports to identify areas of concern with individual schools, understand the quality of the schools in its portfolio, and gauge the likelihood of renewal of charters in the years leading up to the interim and final year reviews. The department uses the reports to create a statewide annual report on Tennessee charter schools (see Appendix E-2 for TN charter school annual report).

*Tennessee requires an interim evaluation every five years to review adherence to the charter status of academic achievement as compared to requirements*

Tennessee has set statutory requirements that require an evaluation by the authorizer of each charter school at least once every five years (halfway through the charter term). TCA § 49-13-121(d) requires “an interim review of a charter school shall be conducted by the chartering authority under guidelines developed by the department of education in the fifth year of a charter

school's initial period of operation and also in the fifth year following any renewal of a charter agreement.” During this required interim five-year review, charter schools must “submit to the chartering authority a report on the progress of the school in achieving the goals, objectives, pupil performance standards, content standards and other terms of the approved charter agreement.” Authorizers evaluate the soundness of these reports by conducting site visits during which school leader, teacher, parent, and student interviews take place as well as reviews of school financial documents, board minutes, discipline data, etc. Authorizers conduct a thorough evaluation of the school’s assessment results by reviewing the past five years of achievement and growth data (including value-added composite scores, gap closure measures, percent proficient/advanced compared to state and local district, gains with educationally disadvantaged subgroups, attendance, and graduation rates). The interim five year reviews differ from annual reviews in terms of the responsibility for action in statute is placed on the authorizer to report to the school whether or not they are on track for renewal.

That same law also requires the department to provide guidelines to facilitate the interim review. The department’s guidance addresses requirements for submission to include: 1) Cumulative progress toward the charter school’s goals (including academic achievement and growth measures for the past five years, subgroup achievement and gap closure, student enrollment, attendance, and graduation rates); 2) Operations and finance (including accounting for increased costs, network and financial projections, financial efficiency and return on investment, facility plans, structural changes, and functioning community partnerships); and 3) Leadership succession (including organizational changes, board adaptation from startup to maintaining, and any succession plans).

Charter school operators use interim reviews to measure progress toward the goals outlined in their charter and adjust operations based on this information. Authorizers use interim

reviews to provide effective oversight of charter schools, share best practices across all schools in their jurisdiction, and to make renewal, nonrenewal or revocation decisions. Operators, authorizers, and policymakers use interim reviews to measure the return on investment and to support existing high-quality schools and programs, foster more innovative school models, and decrease the number of academically poor-performing schools.

*Authorizers may impose meaningful consequences, if necessary*

Tennessee’s charter school law is consistent with a key tenet of the charter school framework: accountability. During the interim five-year review, charter school authorizers have the authority to take appropriate action or impose meaningful consequences on the charter school including non-renewal of the charter or revocation of the charter prior to the expiration of the charter term. TCA § 49-13- 122(a)(3) allows the authorizer to revoke or deny “renewal of a charter agreement of a charter school that fails to meet the minimum performance requirements set forth in the charter agreement.” At any point during the 10-year charter term, if a charter school violates the law, fails to maintain the performance goals outlined in the charter, or exhibits fiscal mismanagement, the authorizer may revoke a charter and close the school.

***Absolute Priority 2--Charter School Oversight***

*Schools operate under legally binding charter contracts*

Each charter school in Tennessee is required to operate under a legally binding performance contract. Pursuant to TCA § 49-13-110(a), “the approval by the chartering authority of a public charter school application shall be in the form of a written agreement signed by the applicant and the chartering authority, which shall be binding upon the governing body of the public charter school. The charter agreement for a public charter school shall be in writing and contain all components of the application.” The charter application and supporting materials

developed and provided by the state clearly delineate the rights and responsibilities of each party (see Appendix E-3 and E-4 for charter school application materials).

*Schools conduct independent financial audits annually and audits are filed with state Comptroller, the department, and the authorizer*

All charter schools must conduct an annual, independent audit of the school’s financial statements. TCA § 49-13-127(b)(1) requires, “The governing body of the charter school shall cause an annual audit to be made of the accounts and records, including internal school activity and cafeteria funds, of their school. The audits may be prepared by certified public accountants or by the department of audit.” Pursuant to TCA § 49-13-107(b)(5), every charter application/agreement must include “the method for conducting annual audits of the financial, administrative and program operations of the school.” By law, annual charter school audits must be submitted after the close of each fiscal year to the LEA authorizer, the commissioner of education, and the comptroller of the treasury. All charter school audits are posted to the Comptroller’s website, available to the general public. This audit requirement and monitoring system is important to ensure multiple levels of financial transparency and oversight.

*Schools must demonstrate improved student academic achievement for renewal*

While sound operational and financial performance are critical factors for charter renewal, increases in student achievement is a leading indicator in determining whether to renew or revoke a school’s charter. Pursuant to TCA § 49-13-102(a)(1,4), charter schools established in Tennessee must “improve learning for all students and close the achievement gap between high and low students” and “measure performance of pupils and faculty, and ensure that children have the opportunity to reach proficiency on state academic assessments.” Charter schools must prove their capacity to improve academic achievement beginning with the application process. By law, the charter agreement must include academic plans as well as academic performance goals.

TCA § 49-13-107(3) specifies the charter must provide “a plan for evaluating student academic achievement at the proposed public charter school and the procedures for remedial action that will be used by the school when the academic achievement of a student falls below acceptable standards.” The charter application requires a description of the school’s instructional strategies and how they are suited to the target population, the school’s proposal to align with state academic standards and Tennessee State Performance Indicators, and how the school will meet the needs of educationally disadvantaged students.

The charter application also requires a description of the school’s annual and long-term achievement goals stated in measurable terms. While charter school students must take state mandated tests, the charter school must also describe interim assessments that will be administered to monitor student progress and how the interim assessments align with the curriculum, performance goals, and state standards.

In Tennessee, charter school data is included in each authorizer’s system-wide assessment results under the state’s accountability framework, so authorizers have a vested interest in ensuring charter schools achieve academic success. According to Tennessee’s automatic closure law, TCA § 49-13-122, a public charter school contract *shall* be revoked if the school is identified as “priority school” for poor academic performance. Priority schools in Tennessee are identified as the state’s lowest performing five percent of schools according to the state’s accountability framework. A public charter school contract may also be revoked for violation of the conditions, standards, or procedures set forth in the charter, fiscal mismanagement, and fraud. A charter school may appeal the revocation to the State Board of Education (SBE) for reasons of fiscal mismanagement or fraud. Schools identified as priority schools may not appeal the decision. The revocation shall take effect immediately following the close of the school year after the school is identified as a priority school.

*Authorizers use sub-group student achievement increases to determine renewal status*

As stated in TCA § 49-13-102(a), one purpose of the Tennessee Public Charter Schools Act is to “close the achievement gap between high and low students.” A charter school governing body seeking renewal must demonstrate that it has helped and can continue to help its educationally disadvantaged students meet the performance goals outlined in the existing charter agreement. Tennessee charter school renewal applications must provide an overview of students’ academic performance (including subgroup achievement: economically disadvantaged, all major racial/ethnic groups, students with disabilities, and English language learners) and an overview of the school’s operations and finances. Within the renewal application, schools must describe the academic achievement of the charter school’s students over the course of the current charter term, address progress toward decreasing achievement gaps, share how leader and teacher professional development has affected student achievement, and discuss areas of student achievement that are of the most concern, and plans to address those deficiencies (see Appendix E-5 for renewal application).

**Competitive Preference 1 – High-Quality Authorizing and Monitoring Processes**

**(1)(a) Multi-tiered clearance or review of a charter school**

*TN charter applicants undergo a multi-tiered review process with clear evaluation criteria*

The charter petition process begins with a comprehensive and rigorous application that covers multiple dimensions of operating a successful charter school – academics, finance, and operations. By law, all charter school applicants must submit an application to the authorizer and the department by April 1 of the calendar year preceding the proposed opening date. A letter of intent is due to the local board of education and the department 60 days prior to April 1. Annually, the charter school application and accompanying scoring rubric are published by the

department to encourage the opening of high-quality schools through a high-quality application review process (see Appendix E-3 and E-4 for charter school application and scoring rubric).

In the application, applicants must present a clear and compelling mission statement, a sound academic plan, a quality plan for evaluating student academic achievement, a solid business plan that includes an anticipated operating budget, effective governance and leadership structures, and evidence that the school has the capacity to execute its proposal successfully. The Tennessee charter school application provides applicants the opportunity to demonstrate their capacity to design and implement academic and business plans, and to do so as good stewards of public funds. It requires applicants to outline their plan for helping all students at the school prepare for post-secondary success in education, work, and citizenship.

The department has also created a comprehensive scoring rubric modeled after the National Association of Charter School Authorizers (NACSA) best practices on rubrics to align precisely with the application requirements (See Appendix E-4 – Scoring Rubric). An application that merits a recommendation for approval must present a clear, realistic picture of how the school expects to operate; be detailed in how the school will raise student achievement; and inspire confidence in the applicant's capacity to successfully implement the proposed academic and operational plans. Each section of the proposal must align with the overall mission, budget, and goals of the application.

Academic program capacity and any past performance are the most critical factors in evaluating applications. However, operational and financial components directly affect a school's ability to help students succeed in the academic program. Thus, the applicant must demonstrate alignment across each section and address the best interests of the pupils, school district and community.

In addition to the required state application materials, authorizers may create supplemental elements of an application, which require proposed charters to clarify critical information specific to the LEA. For example, Metropolitan Nashville Public Schools (MNPS) requires charter applicants to provide information regarding how the proposed school will fit within the parameters of the district’s diversity management plan, an initiative of the district to monitor the concentration of certain subgroups within specific schools and to the extent possible, avoid segregating these subgroups within schools.

Local Education Agencies (LEA) also have developed request for proposals (RFP) that act as a targeted call for specific types of operators. The LEA may indicate a priority for specific grade configurations of proposed charters or to locate in specific geographies in the county. The purpose of these RFPs is to develop a clear and concise call for the needs of districts and encourage charter operators to respond and align their school models to the needs of the LEA. The Achievement School District (ASD) for example provides detailed RFPs based on specific community and neighborhood needs and an experienced understanding of what school operators need to do to succeed in school turnaround. This does not change the objective scoring criteria in the rubric and only enhances the quality of applications in meeting the community’s needs.

The Tennessee Charter School Center (TCSC) has conducted an in-depth seat analysis for the past three years in partnership with the MNPS Charter School Authorizer. The purpose of the seat analysis is essentially to look at the geographic distribution of quality seats (by cluster or region) within a school district and couple this information with school by school enrollment data to get an advanced analysis of the landscape in terms of the need for school quality improvement and/or student enrollment growth (or under-enrollment) pressures. MNPS has taken this analysis and folded it into its RFP document that it makes available to charter school operators at the beginning of each charter school authorization cycle. This has led to more

purposeful thinking about the needs of neighborhoods across a city and added more strategic thinking in terms of where to place charter schools within a district.

Recommendations for approval or denial are based on the written application (narrative and attachments), independent due diligence including review by experts both internal and external to the LEA, and applicant interviews. Applications that do not meet or exceed the standard in all sections are deemed not ready for approval. Tennessee law states, “The approval by the chartering authority of a public charter school application shall be in the form of a written agreement signed by the sponsor and the chartering authority, which shall be binding upon the governing body of the public charter school. The charter agreement . . . shall be in writing and contain all components of the application” TCA § 49-13-110(a).

Authorizers must approve or deny all charter applications within 90 days of receipt of a completed application. Any denial of a charter school application must be stated in writing and must specify the objective reasons for denial. Upon receipt of a denial, the charter applicant has 30 days to submit an amended application for reconsideration. If the amended application is denied by a local board of education, the charter applicant has the ability to appeal. In Tennessee, the SBE hears appeals from charter school applicants who have been denied by local boards of education. The SBE may uphold the district decision, remand the denial back to the district, or become the authorizing entity for the school. Should the board overturn the district denial, they may direct the school district to approve the application, in which case the school district must act as authorizer to the charter school applicant. If the SBE overturns the denial in a district with a priority school, then the SBE may become the authorizer of the school. The SBE is considered a high-quality authorizer. Each member has been trained by NACSA and statute requires the board to follow NACSA standards in authorizing. The state board’s decision on appeals is final.

*Authorizers conduct a final review immediately before the charter school first opens*

Authorizers provide ongoing monitoring and support of new charter applicants post-approval through a multi-tiered approach. Immediately following approval, initial meetings are held with school leaders to deliver and discuss the pre-opening checklist which includes guidance on matters such as building transitions and maintenance, student enrollment and file transfers, and accountability requirements. Ongoing formal reviews are held monthly over the course of the planning year to ensure that all regulations are followed. Authorizers conduct onsite visits as a final review immediately before the school opens for its first operational year to make certain that critical elements are in place. Should a charter school or authorizer determine the school is not ready to open on schedule, TCA § 49-13-137 allows “the sponsor of an approved charter application may delay, for a period not to exceed one (1) academic year, the initial opening of the public charter school.”

**(1)(b) Differentiated review of charter petitions**

*The authorizing process is differentiated to assess effectiveness of existing operators*

To supplement the application review process for new-start charter schools, the department has worked diligently to allow authorizers to conduct differentiated reviews of charter petitions if the applicant is an existing Tennessee operator proposing to replicate or an existing charter school operator that is not yet established in Tennessee. In lieu of a full application, an existing operator may complete a replication application through a streamlined process. It must demonstrate that it is in compliance with local, state, and federal laws and its charter contract. The existing operator must also be in at least Year 2 of operation in Tennessee and provide student performance data analysis from state assessments. This process allows for authorizers to review the quality of existing schools and gauge the applicants’ ability to operate additional schools—while not requiring operators to repeat an application process that they have already successfully completed.

All existing operators from outside Tennessee must provide, in addition to other components of the application, existing academic plans, performance management, CMO contracts (if applicable), network-wide staffing projections, existing budget and other financial documents, and past student performance data. This allows authorizers to review the past performance of the operator and understand its success in establishing and operating one or more high-quality charter schools while also ensuring the operator understands the Tennessee context and meets the requirements for operating in Tennessee.

The flow chart below is provided in the application to determine which sections of the application are required. See Appendix E-3 for charter school application.

APPLICANT TYPE	
New-Start Applicant	<ul style="list-style-type: none"> <li>• Academic Plan Design and Capacity: 1.1 through 1.12</li> <li>• Operations Plan and Capacity: 2.1 through 2.10</li> <li>• Financial Plan and Capacity: 3.1 and 3.2</li> </ul>
Existing TN Operator Proposing New Focus/Grade Structure <i>OR</i> Existing non-TN operator	<ul style="list-style-type: none"> <li>• Academic Plan Design and Capacity: 1.1 through 1.14</li> <li>• Operations Plan and Capacity: 2.1 through 2.16</li> <li>• Financial Plan and Capacity: 3.1 through 3.3</li> <li>• Portfolio Review and Performance Record: 4.1</li> </ul>
Existing TN Operator Proposing Exact Focus/Grade Structure	<ul style="list-style-type: none"> <li>• Submit original application</li> <li>• Academic Plan Design and Capacity: 1.2, 1.13, and 1.14</li> <li>• Operations Plan and Capacity: 2.11. through 2.16</li> <li>• Financial Plan and Capacity: 3.4</li> <li>• Portfolio Review and Performance Record: 4.1</li> </ul>

**(1)(c) Measure and benchmark performance of authorizers**

*Tennessee uses clear processes to measure authorizer performance and will require annual dissemination of annual reports*

In addition to the statutory requirements around yearly charter school progress reporting (outlined in Absolute Priority 1), each authorizer in Tennessee has established a set of processes for measuring and reporting the performance of its portfolio of charter schools, including the performance frameworks it uses to evaluate school performance, detailed charter school report

cards which include school performance summaries, and published annual reports. As one example, see MNPS 2015 Annual Report in Appendix E-6.

In an effort to increase transparency in this area, the department will support legislation that would require all authorizers in the state to report on charter school accountability annually. Legislation was filed during the 2016 Legislative Session that would require authorizers to report on a number of school accountability measures (student discipline, attrition rates, academic achievement scores) and made it through a number of committees and passed the Senate and House but ultimately did not become law (slightly different versions passed and the conference committee was not able to approve the bill at the end of Session). This effort will be renewed for the 2017 Legislative Session and odds are very high that the legislation will pass. If passed, all charter authorizers would be required to publish an annual charter school authorizer performance report. This report would include data on the academic performance of the schools the chartering authority oversees including data from the state accountability system on each school's academic performance and how well each performed against the goals set forth in its performance framework and charter agreement.

Additionally, TCSC has begun conversations with policy partners to draft language and propose legislation that would require all authorizers to have a performance framework in place. The department supports this move to strengthen the quality of charter school authorizing practices throughout Tennessee. In an effort to support this legislative proposal, the department plans to contract with NACSA to develop a state-wide charter school performance framework. This performance framework will act as an accountability mechanism by establishing performance criteria for charter schools and ensuring that authorizers are accountable to charter schools and to the state overall. Additional information about performance frameworks is included in selection criteria (f) Oversight of Authorized Public Chartering Agencies.

**Competitive Preference Priority 2 – One Authorized Public Chartering Agency Other than a Local Educational Agency, or an Appeals Process**

*Tennessee provides two authorizers that are not local LEAs and an appeals process*

Tennessee has two additional authorized public chartering agencies other than the LEA in addition to an appeals process. Authorizers in Tennessee include: local boards of education, the ASD, and the SBE. Currently, there are six (6) active authorizers in the state: Metro-Nashville Public Schools, Shelby County Schools, Hamilton County Schools, Knox County Schools, the ASD, and the SBE. All LEAs are potential authorizers of charter schools. Two other entities were granted chartering authority more recently.

- 1) In 2012, the ASD was created specifically to significantly improve student achievement in schools in the bottom five percent in overall performance. Charter operators may apply to the ASD to help turnaround one or more of the state's lowest performing schools. This may be done through conversion of a school to a charter school or by the formation of a new charter school serving students zoned to attend ASD eligible schools.
- 2) In 2014, the role of the SBE was expanded to allow it to serve as an authorizer in cases where the board rules in favor of a charter school applicant's appeal. The SBE hears appeals from charter school applicants who have been denied by local boards of education. TCA § 49-13-108 provides "If the application is for a charter school in an LEA that contains at least one (1) priority school... and if the state board finds that the local board's decision was contrary to the best interests of the pupils, school district or community, the state board may approve the application... [and] shall be the chartering authority." Just this year, the SBE ruled in favor of two charter school applicants seeking to open a school in a district with at least one priority school. The SBE is now the authorizer of these two schools.

**Invitational Priority: Public Reporting of Charter School Demographics**

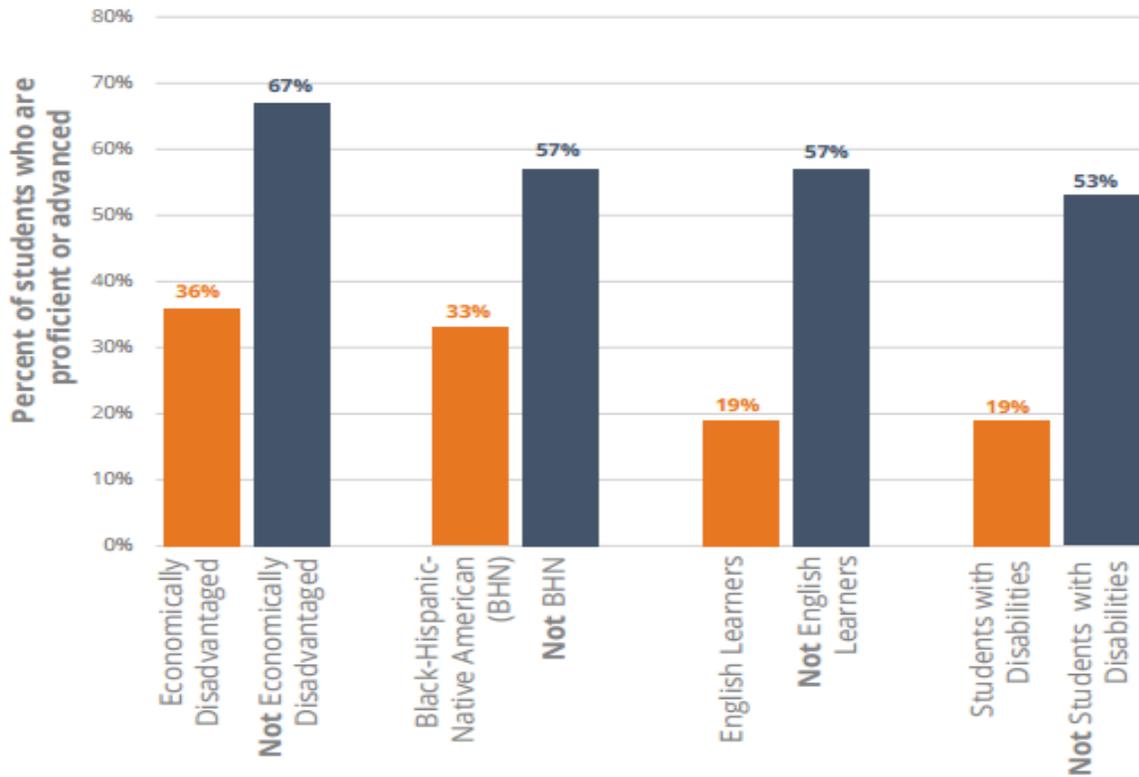
Included within Tennessee’s statutory reporting requirements is the requirement that the department will publicly report each year on charter school demographics for each individual charter school and comparable data for school districts and public schools in surrounding areas. TCA § 49-13-120(b) iterates “the commissioner shall prepare and submit an annual report on charter schools to the education committee of the senate and the education administration and planning committee of the house of representatives”. This report is public and made available each year on the department’s webpage (see Appendix E-2 for charter school annual report).

**Selection Criteria:**

**(a) Educationally Disadvantaged Students**

*Charter schools are focused on serving educationally disadvantaged students*

The Commissioner of the Tennessee Department of Education has put in motion a new state-wide strategic plan which outlines five education priority areas. One of those priorities, *All Means All*, calls for a focus on providing individualized support and opportunities for all students with a focus on those who are furthest behind. There are troubling clusters of underperformance across the state today. The patterns point to an urgent need to address systemic inequities among groups of students that prevent all students from reaching their full potential. While average student performance has risen in past years, Tennessee continues to see substantial achievement gaps between students in historically underserved subgroups and their peers. The table below shows one example of achievement gaps in Tennessee in Grades 3-8 English Language Arts 2014-15.



We cannot improve overall outcomes in our state without improving outcomes for our historically underserved subgroups. Over two-thirds of the state’s nearly 1 million students identify with one or more of the following subgroup classifications: economically disadvantaged (57.9%), English Learners (4.6%), or students with disabilities (14%). The department recognizes and values the important role that high-quality charter schools play in helping Tennessee achieve this strategic priority.

*Authorizers must give preference to applications serving educationally disadvantaged students*

Historically, charter schools in Tennessee were restricted to *only* serving educationally disadvantaged students. Tennessee’s original charter school law limited student eligibility to attend charter schools based on the students’ academic performance or the academic standing of their schools. In 2009, the law was amended to allow students in the largest districts to qualify to attend charter schools based on the low income status of the students’ families. In 2011, the

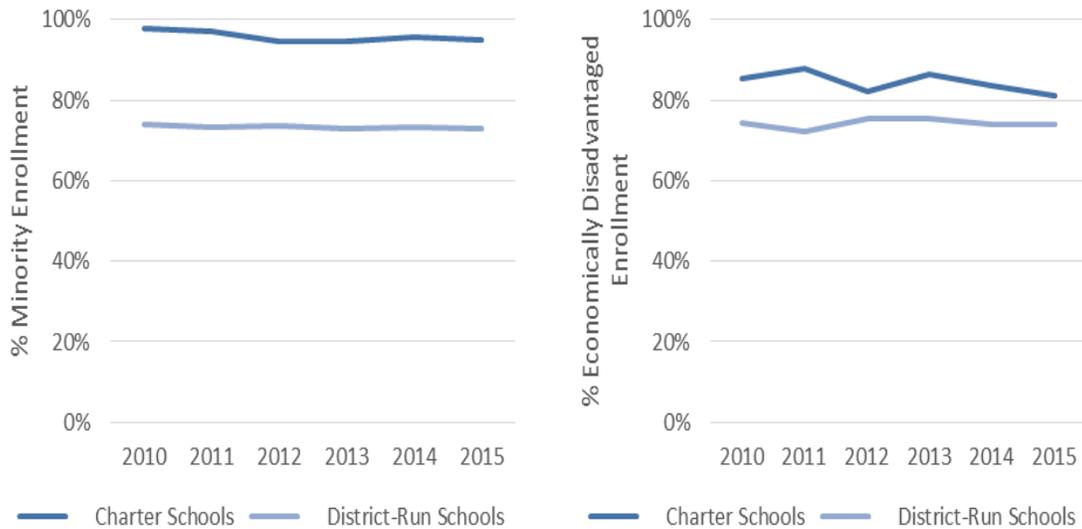
General Assembly removed these student eligibility limitations. Even though these restrictions have been lifted, Tennessee's charter school laws incentivize charter applicants that have a mission focused on educationally disadvantaged students by requiring authorizers to give preference to applications that seek to serve these students. TCA § 49-13-106 (C) identifies “applications that demonstrate the capability to meet the needs of... students who are eligible for free or reduced price lunch” as one area an LEA must give preference in reviewing applications for newly created charter schools.

Tennessee’s statute clearly prioritizes charter schools that serve educationally disadvantaged students and the rigorous process for reviewing applications ensure those options are high quality. Combined with grant funds that help support the launch of these schools, Tennessee’s charter schools are well positioned to help educationally disadvantaged students meet content and achievement standards.

*Charter schools serve more educationally disadvantaged students than district schools*

Tennessee charter schools continue to serve a disproportionately higher number of educationally disadvantaged students compared to their district counterparts. Over the past five years, charter schools have served an average of 10 percent more economically disadvantaged students than district schools in the state. Charter schools also serve a very similar number of students with disabilities as district-run schools and are serving an ever-increasing English language learner population.

The following figure depicts the percentages of economically disadvantaged and minority student enrollment in charter schools compared to district-run schools since 2010.



*Charters have demonstrated academic success with educationally disadvantaged students*

The state’s current charter schools serve a population that is overwhelmingly disadvantaged, which places them in a unique position to have a significant impact on this student population. Charter schools have been able to leverage their flexibility to implement innovative strategies and develop curricula and learning environments that allow educationally disadvantaged students to demonstrate success. Despite serving student bodies that are composed of more than 81 percent economically-disadvantaged students, many of Tennessee’s charters are “beating the odds” by showing significant student gains in TCAP achievement scores for students. For example, the following table lists the 2015 State Reward Charter Schools. Reward schools are identified as the top 5 percent of schools in the state for performance and the top 5 percent for year-over-year progress. All charter reward schools in 2015 serve a student body that is 70 percent or more economically disadvantaged.

<b>2015 Charter Reward Schools</b>	<b>% Economically disadvantaged</b>
Power Center Academy Middle	70.0%
Power Center Academy High School	70.0%
STAR Academy	81.9%
LEAD Prep Southeast	82.1%
Intrepid College Prep	82.7%
Liberty Collegiate Academy	85.1%
LEAD Academy	85.5%
KIPP Academy Nashville	88.3%
New Vision Academy	89.3%
KIPP Memphis Middle Academy	91.3%
Memphis Business Academy Elementary	95.1%
Memphis Business Academy High	98.2%
Memphis Business Academy Middle	98.7%

*The ASD has increased charters’ contribution to serving educationally disadvantaged students*

The ASD is also helping in this area. The ASD was created to turnaround the state’s priority schools, those schools performing in the bottom 5 percent statewide. The ASD aspires to move these schools from the state’s bottom 5 percent in achievement to the top 25 percent. To help achieve this mission, the ASD recruits high-performing charter management organizations (CMOs) to Tennessee to operate within a portfolio model run by the district. The portfolio model draws upon the skills, experience, and resources of successful charter operators from around the country to infuse the ASD schools with the tailored turnaround efforts they require. Of the ASD’s current 29 schools, 21 are charters serving 97 percent economically disadvantaged students and 13 percent students with disabilities.

The ASD has changed the practices and expectations inside LEAs with priority schools. The pressure created by the possibility of the ASD taking priority schools out of a local district combined with the competitive options the ASD brings, means LEAs can no longer ignore the lowest-performing schools. Charter school operators desire to serve educationally disadvantaged students and the availability of CSP funds will make this an even more attractive option.

Conversion charter schools are also helping to serve educationally disadvantaged students. State law provides districts with the authority to initiate the conversion of a traditional public school to a public charter school. This is an extremely powerful tool for districts seeking to transform failing schools. In one example, MNPS utilized this option with the conversion of Cameron Middle School in 2010 which had over 95% economically disadvantaged students. Cameron Middle School was one of the lowest performing schools in MNPS and was located in an area where families zoned to the school could not easily access a higher performing school. The district partnered with LEAD Public Schools using a phase-in model and their efforts have benefited all students zoned to Cameron Middle School. In 2014, Cameron Middle School was identified as a Reward School. The success of this conversion prompted the department to commission a study of lessons learned and best practices to share with all districts in the state to encourage similar district-led conversions with high populations of educationally disadvantaged students. In order to incentivize and support districts with charter school conversions, the department plans to award preference points in the subgrant competition to conversion charter schools who serve educationally disadvantaged students.

*The subgrant competition will preference applicants likely to assist educationally disadvantaged and other students in meeting academic standards*

Tennessee's charter school grant program design will ensure a focus on serving educationally disadvantaged students. The subgrant competition will be structured to provide awards based on preference points, awarded to applicants that will serve educationally disadvantaged students and those focused on converting schools that are currently failing their students. The department also plans to award dissemination grants to impact educationally disadvantaged and other students in meeting state academic content and achievement standards. More details about these grant competitions can be found in selection criteria (d) Project Design.

**(b) Vision for Growth and Accountability**

*Charter schools are integral to the statewide vision for student achievement*

Education in Tennessee is on the rise. With the close of the Race to the Top era, we celebrate a period of groundbreaking change. Tennessee has seen striking successes in student achievement but recognizes the continued need to ensure students’ long-term success. We now have a strong foundation from which to realize our goals for Tennessee students. If successful, all districts and schools in Tennessee will exemplify excellence and equity, and all students will be equipped with the knowledge and skills to successfully embark upon their chosen path in life. This is our unifying vision: success for all students upon graduation from high school.

High-quality charter schools play an integral role in realizing this vision. The department has identified three objectives in order to support the overall goals of the charter school program. During the project grant period, Tennessee will: 1) Increase the number of high-quality charter schools; 2) Decrease the number of academically poor-performing charter schools; and 3) Support improvement in all schools with emphasis on educationally disadvantaged students.

*The logic model provides a clear strategy for the SEA to increase charter quality*

Tennessee proposes the following logic model as the statewide vision for charter school growth and accountability.

Tennessee CSP Logic Model							
Inputs	Activities	Output	Short Term Outcomes (Immediate)	Medium Term Outcomes (after 1 yr.)	Long Term Outcomes (by project end date)	Performance Measures	End Goals
• TDOE	<b>Strategy 1. Increase the number of high-quality charter schools</b>						<b>More</b>
	1.1 Administer	Schools	• Update	• Improve  • Improve	• Increase	• TN will  annually	

rizers:	1.2 Recruit	8 new	• Increase	grantee	schools	(GPRA i)	<b>Improved</b>
	1.3	2 new					
logy							
Inputs	Activities	Output	Short Term Outcomes (Immediate)	Medium Term Outcomes (after 1 yr.)	Long Term Outcomes (by project end date)	Performance Measures	End Goals
• TDOE	<b>Strategy 2. Decrease the number of academically poor-performing charter</b>						<b>More</b>
	2.1 Provide	All active	• Increase	• Improve	• Decrease	• Decrease the	
	2.2 Develop	All active					
	2.3 Analyze	Increased					
	2.4 Develop	New					
	2.5 Identify	Increased					
legislation							

Inputs	Activities	Output	Short Term Outcomes (Immediate)	Medium Term Outcomes (after 1 yr.)	Long Term Outcomes (by project end date)	Performance Measures	End Goals
• TDOE	<b>Strategy 3. Support improvement in all schools with emphasis on educationally</b>						
	3.1	Districts and	• Improve	• Improve	• Charter	• 4th & 8th	<b>More</b>
	3.2	Report					
	3.3 Create	Open					

**(b)(1) Support the Creation of High-Quality Charter Schools**

*TN supports the creation of fifteen more high-quality charter schools through the grant period*

As discussed in the following selection criteria (c) Past Performance, Tennessee identifies 26 charter schools currently in operation as high-quality. With this baseline and a performance measure of increasing by at least five (5) high-quality schools annually, the department expects the number of high-quality charter schools will be at least 41 by the end of the grant period.

*The department and key partners will recruit and develop high-quality charter applicants*

Tennessee plans to support the creation of high-quality charter schools through new-start, conversion, and replication of successful school models. During the project period, the department will only award CSP funds to those that demonstrate the ability to operate a high-quality charter school. This will begin with charter school outreach and training. In partnership with the TCSC, the department will improve recruitment efforts to attract high-quality CMOs and charter operators with a track record of success to encourage replication through the use of CSP funds. The TCSC provides a vital partnership with the department and LEAs to support charter schools through this rigorous application process and through pre-launch incubation. To support the submission of high-quality applications, TCSC offers training, resources, and fee-based consulting services. Once a school has been approved, TCSC's *Launch School* program supports approved schools through a year-long pre-opening incubation program designed to reinforce the knowledge and skills of schools that have received charter school authorization and the experience of replicating charter school leaders. Through its innovative learning model, leaders are prepared to open new charter schools across the state. Learning modules consist of operational, financial and governance training to help new school leaders and governing boards more fully understand the specific details that go into running a high performing charter school. By design, TCSC's *Launch School* is cohort based to help new charter leaders develop resource contacts (each other) as well as network with existing school leaders that are running high-quality charter schools in Tennessee.

*An enhanced sub-grant process will ensure awards to high-quality applicants*

Tennessee was previously awarded a CSP grant in 2010. During the previous grant award period, the process for determining awards lacked rigorous requirements for applicants. To ensure subgrants are only awarded to applicants who demonstrate the capacity to create high-quality charter schools, the department will initiate a new grant award process, with key

improvements over the previous process. An enhanced grant application and scoring rubric will be created to evaluate planning and implementation grant applications. The new application and aligned rubric will include specific information regarding the assignment of preference points for high-quality replicators and varied award amounts based on the strengths of the applicant. In order to encourage the expansion of charter schools that have demonstrated success and the capacity for growth, the department also plans to award replication grants to applicants that have demonstrated academic, operational, and financial success and viability.

*Post-award monitoring and support will lead to increased charter quality*

Post-award monitoring practices will be improved by redesigning the monitoring instrument to include a performance framework with stated objectives for all schools in addition to school specific objectives. Regular desk monitoring will be conducted with at least one on-site visit conducted by department staff during each year of the grant award. Increased opportunities for monitoring and support will be required by the department when any school shows indicators of poor performance, mismanagement, or falls short of their objectives. More on these and other activities are in selection criteria (d) Project Design.

**(b)(2) Support the Closure of Academically Poor-Performing Charter Schools**

The TDOE will support the closure of academically poor-performing charter schools by strengthening charter school accountability, improving oversight of authorizers and authorization processes, and facilitating high-quality processes for executing a school closure.

*The department supports the closure of priority schools and others identified by authorizers as academically poor-performing*

Tennessee will strengthen charter school accountability. As discussed in previous sections, Tennessee has an automatic closure law in place (TCA § 49-13-122) which requires the closure of charter schools identified as priority schools according to the state's accountability

system. The closure shall be effective immediately following the end of the school year. This automatic closure law removes the politics that often go into school closure decisions and ensures academically poor-performing schools are closed. Additionally, authorizers may close schools through regular oversight, renewal, and revocation procedures, and the department will support authorizers' decisions to close academically poor-performing charter schools. And as mentioned in previous sections, the department will support legislation for authorizer accountability and required performance frameworks.

*Performance frameworks will promote authorizer accountability for performance*

Tennessee will improve oversight of authorizers and authorization processes. In partnership with NACSA, Tennessee will develop a specific performance framework for authorizers. The authorizer performance framework will help authorizers plan and develop stronger practices, including how they identify areas in which poor-performing charter schools need deeper guidance or additional assistance. The performance framework will also serve as a resource for the department to identify areas where authorizers can improve or refine their practices to achieve ever-stronger outcomes.

*Tennessee oversees a clear process in the case of charter closure*

Finally, the department will support the closure of all academically poor-performing charter schools in the state by overseeing the closure process to ensure authorizers and schools follow all statutory requirements. TCA § 49-13-122 requires specific procedures in place for charter school closure. Once a charter school is slated for closure, the authorizer and the charter school must assemble a team to oversee and execute the closure process, including notifying current students of the impending closure and identifying other schools they may attend.

The department will require authorizers to report the names and positions of the assembled transition team composed of staff from the charter school, staff from the authorizer,

and anyone else the authorizer deems necessary. The department will review and oversee the transition team’s plans for the transfer of students; the release and transfer of student records and personnel records; the submission of financial statements; the disposition of school funds and school assets. The department will ensure the transfer of funds and assets follow all federal guidelines and requirements and will work with the transition team to ensure the authorizer and school inform all families, school staff, and other stakeholders of key information regarding the school's closing and the other public school options for which students are eligible to enroll.

**(c) Past Performance**

**(c)(1) Increase—High-Quality Charter Schools**

*TN has demonstrated an increase in each of the past five years in high-quality charter schools*

For the purposes of the CSP grant, Tennessee uses the definition of high-quality charter school as defined in the federal register. Tennessee has had a demonstrated increase in the number and percentage of high-quality charter schools in the state over the past five years. As illustrated in the chart below, there are 19 more high-quality schools in the state than five years ago, and 43 percent of charter schools are currently high-quality.

School Year			
2010-11	27	7	26%
2011-12	33	13	40%
2012-13	44	15	34%
2013-14	57	24	42%
2014-15	60	26	43%

The high-quality schools included in the counts above were identified by reviewing the past three years of data. These reviewed data points included: 1) the extent to which educationally disadvantaged students’ scores were above the state average in specified subgroups in reading and math; 2) the extent to which “all students” proficient/advanced percentages were

higher than the local district; 3) school TVAAS (value-added) composite score of 4 or 5<sup>1</sup>; 4) gap size and the extent to which the school demonstrated gap closure; 5) AYP status or reward/priority status; and 6) other areas of increased achievement and attainment including graduation and dropout rates, ACT composites, attendance rates, and college-going rates.

*Converting priority schools to charter schools impacted 2012-13 data*

Tennessee saw a steady increase in the number of high-quality charter schools during each of the last five years. The percentage of high-quality charter schools also increased with the exception of a slight drop in 2012-13 which was the first school year with student performance data for the first cohort of charter schools authorized by the ASD. Due to the nature of the ASD's mission as a specialty state turnaround district with authority to turn around the state's lowest performing schools, charter operators that took on the difficult task of improving these schools were operating poor-performing schools at the beginning of their work. As such, the drop in the number of high-quality charter schools in the state in 2012-13 is related to this situation, and the increase in subsequent years is related to the turnaround of those schools.

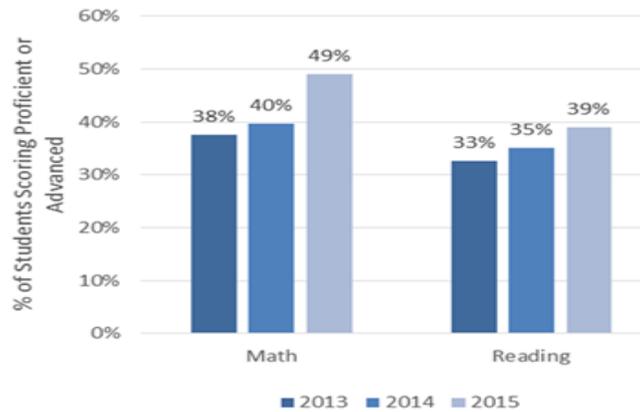
*The Tennessee charter sector vastly outperforms district schools*

Twenty-six charter schools were determined to be of high-quality based on the definition in the federal register. This definition establishes a high bar for student academic achievement comparisons. Accordingly, these numbers may not necessarily reflect the overall sense of quality in the Tennessee charter school sector. With that in mind, the department wants to emphasize that numerous other charter schools in the state show strong student academic achievement and growth.

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<sup>1</sup> TVAAS Composites are a measure of student growth and reported on a 1-5 scale. Levels 4 and 5 indicate that a district or school is exceeding the expected growth.

Tennessee charter schools are among the highest performing public schools in the state. In both academic achievement and growth measures, Tennessee’s public charter schools represent some of the state’s highest performing public schools. The following chart illustrates the increase in the percentage of students scoring proficient or advanced in Math and Reading for charter schools that have been open for at least three years.



Not only are public charter schools some of the highest performing public schools in the state, but Tennessee is also home to one of highest performing public charter school sectors in the nation. In a 2013 national Center for Research on Education Outcomes (CREDO) study at Stanford University<sup>2</sup>, Tennessee was found to be one of the top states in the nation for charter school reading and math gains. Only Rhode Island and the District of Columbia showed similar or greater gains in this national comparison of charter school student growth among the states.

The study showed over the course of a year, Tennessee charter school students, in comparison to traditional public school peers, gain the equivalent of 86 additional days of learning in reading and 72 additional days of learning in mathematics. Learning gains in a given year for Tennessee charter school students are among the highest of all states studied.

Furthermore, Tennessee continues to see an increase in the number of charter schools identified as Reward Schools in the state. Reward Schools are the top 5 percent of schools in the

<sup>2</sup> <http://credo.stanford.edu/documents/NCSS%202013%20Final%20Draft.pdf>

state for performance—as measured by overall student achievement levels—and the top 5 percent for year-over-year progress—as measured by school-wide value-added data. These 10 percent of schools receive recognition for their success under the accountability system. In 2015, thirteen (13) charter schools received recognition as Reward Schools. This is an increase of six (6) additional charter schools since this list was last published in 2012. While Tennessee’s public charter schools accounted for just 5.4 percent of all public schools in the state during the 2014-15 school year – they account for 7.6 percent of all Reward Schools.

**(c)(2) Decrease—Academically Poor-Performing Charter Schools**

*Over the past 5 years, the number and percentage of poor- performing charters has gone down*

For the purposes of the CSP grant, Tennessee uses the definition of academically poor-performing charter school as defined in the federal register. Tennessee has had a demonstrated decrease in the number and percentage of academically poor-performing charter schools. As illustrated below, over the past five years, Tennessee has decreased the number of poor-performing charter schools from seven to four. In 20-14-15, only seven percent of charters were poor-performing.

<u>School Year</u>	<u>Total # of CS w/ data</u>	<u># Poor-Performing CS</u>	<u>% Poor-Performing CS</u>
2010-11	27	7	26%
2011-12	33	5	15%
2012-13	44	8	18%
2013-14	57	8	14%
2014-15	60	4	7%

The academically poor-performing charter schools included in the counts above were identified by reviewing the past three years of data for each school. This was accomplished by reviewing: 1) identification of lowest performing 5 percent of all schools in the state, and 2) the extent to which charter schools failed to demonstrate student academic growth of at least an average of one grade level for each cohort of students in each of the past three years.

Tennessee’s accountability system recognizes schools based on proficiency, student growth and closure of achievement gaps. Priority schools are the lowest-performing five percent (5%) of schools in Tennessee, in terms of academic achievement. This means that the composite proficiency rate (the rate of students achieving proficient or advanced scores on either the TCAP or end of course examinations), over three years, for all students in the school, placed the school in the bottom five percent of all schools in the state. According to Tennessee’s accountability system, priority schools are publicly identified every three years. For public reporting purposes, the priority school list was published for 2012 and 2015. However, the department requested this data for additional years for the purposes of reporting here and the results are indicated in the chart above. With the exception of a slight increase in 2012-13, the percentage of academically poor-performing charter schools decreased over the last five years. As mentioned in the previous section, the slight increase seen in 2012-13 occurred due to the inclusion of the ASD created specifically to turnaround schools in the lowest performing five percent.

*There are currently no poor-performing charter schools operating in Tennessee*

The most recent priority school list was approved by the SBE on August 26, 2014. This was considered the 2015 priority school list. Four charter schools were designated priority schools: City University Boys Preparatory, Omni Prep Academy - North Point Lower School, Omni Prep Academy - North Pointe Middle School, and Southern Avenue Middle. City University Boys Preparatory demonstrated significant progress in the 2014-15 school year, such that it exceeded the 15th percentile of one-year success rates when ranked against other eligible schools in the state. This school has exited the priority school list and is no longer considered a priority school. All three other charter schools identified as priority schools on the 2015 list were recommended for closure by the authorizer. Just recently each school appealed to the SBE, and the SBE upheld the authorizers’ decision to close these schools. Tennessee authorizers are

clearly moving toward closure of academically poor-performing schools and the SBE is upholding those decisions. Of the four charter schools named as priority schools on the last published 2015 list, three are closed and one is no longer on the priority list. This means that Tennessee currently does not have any academically poor-performing charter schools according to the definition in the federal register.

**(d) Project Design**

**(d)(1) Process for Awarding Subgrants**

*The subgrant award process will ensure grants are awarded to only strong applicants*

Tennessee’s CSP subgrant competition will support the overall strategy to increase the number of high-quality charter schools in the state. CSP grant funds will provide newly authorized Tennessee charter school operators funds for the design, planning, and initial implementation of their schools. The department will begin by providing public notice of the subgrant competition through the department and TACSA websites, email to new and existing charter school operators, and notices sent to the TCSC, district charter offices, and CMOs. Eligible applicants will be charter schools that have not previously received CSP grants as required in the CSP regulatory guidance.

The subgrant application will contain three major components: application narrative, budget, and timeline. The application narrative will require the applicant to provide a school overview, address continued operations, and plan for meeting project objectives and performance measurements. Proposed use of grant funds must align clearly with the mission, vision, and philosophy of the school. The applicant must provide strong evidence that the funds will assist the school in meeting the identified needs of the students. School level project objectives and performance measures must be comprehensive, well-defined, and realistic. Budget and budget

narrative information must be aligned, detailed, and leave no question regarding expenditures. Time frames must be logical with realistic projected costs stated for each goal indicator.

Tennessee's subgrant application and competition will also include competitive priorities with preference points awarded to applicants who demonstrate a clearly defined plan for: 1.) improving learning for educationally disadvantaged students; 2.) closing achievement gaps; 3.) replication of high-quality schools; 4.) conversion of the state's lowest performing schools; and 5.) demonstration of a proven track record of student academic success. These preferences align with the purpose of the charter school grant program in addition to state specific priorities and goals for student achievement. The department will provide training and technical assistance to all eligible applicants on the application process.

To ensure a reliable review process, peer reviewers with relevant expertise (e.g., federal grants, finance) will be recruited. The department will maintain a pool of peer reviewers by including this as a requirement for all grantees post-award. As a condition to receive the grant funds, grantees must sign that they are willing to serve as a future peer reviewer. Additional reviewers will be enlisted from the department and LEAs. Peer reviewer training will include onsite training of peer reviewers in addition to remote webinar training as needed. Peer reviewer training will include the completion of practice scoring templates on each section of the application and a post-scoring discussion to ensure understanding of inter-rater reliability. Post-training conference calls will be scheduled as needed.

Once the competition closes, the review process will begin with the department conducting an initial review of applications to ensure completeness and all technical requirements are met. Complete applications will then be divided among teams of reviewers. At least three reviewers will be assigned to each application. Reviewers will use a department-created scoring rubric to evaluate each application and assign points utilizing a leveled point

scale for each subsection. Peer reviewer score reports will be signed and delivered electronically back to the department. Finally, applications will receive a final review by department staff to review allowable activities, accurate budget coding, and assignment of preference points. The complete review process will occur within one month of the competition closing.

A score of eighty percent (80%) will be required for a school to be awarded the CSP grant. Any applicant scoring below 80 will not receive an award. Grant funds will be awarded in differentiated amounts commensurate with the applicant’s overall score. Subgrant awards will be made via award letters from the grant manager.

*The application timeline ensures sufficient time for applicant awareness and capacity-building*

Subgrantees will be required to sign an award letter which contains the conditions of the grant and assurances page. Grant funds will be provided to awardees in installments with the first installment to occur immediately following announcement of the award. The first and second issuance of funds must be reconciled while the third and any remaining disbursements must be reimbursed. The following annual timeline details Tennessee’s CSP activities (beginning in July to coincide with new charter school contract announcements in Tennessee).

<b>Month</b>	<b>Tennessee CSP Subgrant Competition Process</b>
July	Announce CSP subgrant competition and call for reviewers
August	Provide training and technical assistance to applicants and reviewers
September	Open competition, receive applications
October	Review and score applications
November	Awards announced and post award training
December	First disbursements
Jan - June	Process reconciliation/reimbursement documents

The department will award dissemination subgrants following this same process and timeline, however the dissemination grant application will require success with educationally disadvantaged students and closing achievement gaps as absolute priorities. Competitive priorities will include best practices related to student discipline and school climate as discussed

in section e2. Dissemination grants will be awarded to charter schools that have been in operation for at least three consecutive years, have demonstrated success in improving student academic achievement, and have demonstrated strong operational and financial capacity. Schools that are awarded CSP funds will assist other entities interested in opening high-quality charter schools and develop partnerships with academically poor-performing charter schools.

*Ten to 12 annual subgrants will increase the capacity of charters and increase the number of high-quality charters in Tennessee*

Tennessee proposes to award ten (10) planning and implementation subgrants annually, two of which the department anticipates will be replication of high-quality charter schools. This number was determined based upon the number of applications received during the previous award cycle. Tennessee also proposes to award at least two (2) dissemination grants annually during the grant period.

The following table outlines Tennessee’s proposal for the year-by-year estimate number of subgrants and average awards.

The department and the TCSC have determined that approximately \$600,000 is needed in funding by a startup school during the planning and first two years of operation. The significant costs are the hiring of administrative staff and teachers that need to be brought on during startup

	Year 1 2016-17		Year 2 2017-18		Year 3 2018-19	
	# of Grants	Avg. award amount	# of Grants	Avg. award amount	# of Grants	Avg. award amount
Planning and Implementation Grants	10*	\$600,000	10*	\$600,000	10*	\$600,000
Dissemination Grants	2	\$100,000	2	\$100,000	2	\$100,000
*Anticipate two for replication of high quality charter schools.						

Two dissemination grants of \$100,000 each will be awarded annually to impact educationally disadvantaged and other students in meeting state academic content and achievement standards, and/or to promote best practices in student discipline and school climate.

*84 percent of applicants previously received grants reflecting a high-quality applicant pool*

During Tennessee’s previous CSP grant period, 84 percent (84%) of eligible applicants were awarded CSP grants. Building on the success of the previous grant period, Tennessee will implement an improved review process and award subgrants only to applicants who demonstrate the capacity to create high-quality charter schools.

**(d)(2) Process for Monitoring CSP Subgrantees**

Tennessee’s CSP monitoring plan is designed with three purposes in mind: 1) to assess the extent to which grantees are implementing their approved grant projects in compliance with statutes, regulations, and guidance; 2) to examine effective uses of CSP grant funds in Tennessee charter schools; and 3) to support the overall strategy for increasing the number of high-quality charter schools in the state.

*Desk and onsite monitoring will ensure adherence to grant requirements*

The department will monitor CSP subgrantees on a regular basis, beginning in the planning year and then during the first and second year of operation. Immediately following the announcement of awards, grantees will be provided with guidance on requirements and a timeline of monitoring expectations in the grant award notification letter. Post-award training on federal regulations, uniform guidance, allowable costs, cash management, and asset tagging will be provided to all awardees. Grantees will be monitored during each year of the grant utilizing both desk monitoring and onsite school monitoring. Desk monitoring will be used as an efficient way to assist grantees with funding requests and review and track school performance on a regular basis. The department will utilize desk monitoring to document reimbursement requests,

receipts, inventory logs, and financial statements, and to ensure compliance with standard bidding procedures and uniform guidance. The department will conduct additional desk monitoring with each subgrantee to discuss progress on objectives as a supplement to on-site monitoring.

Onsite monitoring of subgrantees will occur at least once yearly during each year of the grant period. In the fall/winter of the first implementation year, subgrantees will complete a monitoring instrument form, which the department will use to inform the site visit. This self-assessment will include organizational compliance as well as opportunities to reflect on the school's relationship with the authorizer and its progress toward its specific goals. In the winter/spring of the second and third implementation year, subgrantees will complete a different monitoring instrument form which is used to inform the site visit. This form will also include an opportunity to review the effective use of grant funds with an eye toward providing future subgrantees helpful guidance. The department will provide increased opportunities for monitoring and support as needed.

*Improved disbursement approach will ensure accuracy and efficiency*

Tennessee's previous model used for processing CSP disbursements is cumbersome and outdated. Upon award of the grant, Tennessee plans to immediately begin a selection process for new grant management software. The proposed software would include an interactive interface that would allow grantees to input yearly budgets, submit requests for initial disbursements, submit reimbursement invoices with attached receipts and documentation, and make budget amendments. Through this software, the grant manager will be able to monitor and process subgrant disbursements with more accuracy and efficiency.

*Annual reporting on disbursements and outcomes will be shared with the public*

The department will create an annual report of all charter schools receiving funds to analyze the extent to which grant objectives are being met and to identify effective uses of funds and correlations to student achievement. This report will be made publicly available to increase transparency.

**(e) Dissemination of Information and Best Practices**

**(e)(1) Serve as a Dissemination Leader in the State Using Data to Assess Impact**

*The SEA will identify information and research about best/promising practices*

Dissemination of information and best practices is critical as Tennessee continues to expand the number of high-quality charters. TCA § 49-13-131 specifies, “The department of education, in collaboration and cooperation with charter schools, shall identify charter school most promising practices and implement a system for dissemination of such practices. The system shall include identification of those schools that could benefit most directly from innovative practices in charter schools. The system of dissemination shall allow LEAs across the state and traditional public schools to learn from charter schools' most promising practices.”

Tennessee has undertaken several initiatives to encourage and facilitate best practice sharing in alignment with the statutory language outlined above. During the previous CSP grant, the department commissioned two reports on best practices within charter schools. The first report looked at high-performing charter schools and traditional public schools and surveyed the school leadership to determine common themes on the conditions and practices necessary to see high student achievement. The second report focused on the best practices in how previous subgrantees used funding from the CSP grant. Both of these studies were widely disseminated and are available publicly on the department’s website.

*Tennessee will undertake four new strategies to facilitate identification of best practices*

Tennessee plans to build off of these practices to create additional methods and space for charter schools to share successful strategies with other charter schools, traditional schools, as well as families and communities. The department will focus on four main approaches to developing and promoting best practice sharing: 1) formation of the Tennessee Charter School Task Force; 2) commissioning of a report on best practices of high-quality charter schools; 3) facilitation of local school district and charter school collaboration sessions to share best practices; and 4) the granting of CSP dissemination subgrants.

1) The Tennessee Charter School Task Force will include representatives of high-quality charter schools, authorizers, advocacy groups, department staff, and parents. The task force will meet at least once annually throughout the grant term to discuss research related to challenging areas of school operation such as student discipline policies, school climate, educating educationally disadvantaged students, or serving special populations. Members of the task force will bring to bear both research and academic data and their own insights regarding challenges they observe and practices for which they have evidence of success. The task force will be responsible for publishing an annual report on the best practices identified through the process.

2) To identify best or promising practices of successful charter schools, the department will commission a data-driven research study of the high-quality charter schools in Tennessee. The purpose of this research will be to develop a bank of common strategies that lead to high student achievement. The report will pay specific attention to charter schools that are demonstrating success at serving educationally disadvantaged students, zoned populations through conversion charter schools, and a large population of students qualifying for free and reduced price lunch.

3) District/charter partnerships can only serve to strengthen educational opportunities for all students. The department will work closely with the TCSC and the Tennessee Association of Charter School Authorizers (TACSA) to facilitate district-charter collaborative sessions as a

space for operators to share strategies and innovative practices. The department will work with authorizers to establish bi-annual leader collaboration sessions focused on innovative, successful strategies. In these sessions, the department will assemble data-informed best practices.

4) As discussed in (d) Project Design, Tennessee plans to use a portion of the CSP grant funds to award subgrants focused specifically on dissemination of best practices. Schools that are awarded CSP funds will assist other entities interested in opening high-quality charter schools and develop partnerships with academically poor-performing charter schools.

*The SEA will disseminate information and research about best/promising practices*

To disseminate all of these best and promising practices, the department will aggregate and widely disseminate the report from the task force, the commissioned study, and the practices identified through charter-district collaboration sessions. Additionally, the department's Centers of Regional Excellence (CORE) offices will serve as a repository for best practices amongst charter schools in their regions and help to disseminate the best practices across the state. The department has eight regional CORE offices throughout the state staffed with an executive director and support staff to provide districts with the support to create regional collaborative relationships, differentiated professional development and evidence based best practice sharing.

The department will continue to work closely with the TCSC to disseminate information and research on best practices. For example, in 2015 the department, in conjunction with TCSC, convened a task force focused on special education in charter schools and invited charter operators, authorizers, state board members, and special education experts to discuss challenges and successes in serving students with special needs. The task force consisted of over 20 members and met three times over the course of a year to discuss special education policies and practices in districts and charter schools and to develop recommendations regarding funding for special education students across all schools. The task force also produced a primer on special

education in charter schools for parents of current and future charter school students to educate them on their rights and expectations for services in charter schools. See Appendix E-7 for *Special Education in Tennessee Charter Schools* report.

The department will enlist the help of TACSA to disseminate information and research on best practices through their regular quarterly meetings and training sessions.

*The SEA will use data to assess the impact of its dissemination activities*

The department will assess the impact of dissemination activities through a variety of methods. The department will measure and review the frequency of access to the department's website pages that contain published best practices as well as the frequency of opened emails that distribute these best practices. The department will review the qualitative information shared by CORE offices about the value of best practices to partner schools and measure the quality of collaboration activities around best practices through post-session surveys to participants. Finally, any schools completing applications for dissemination grants will be required to provide information on how they plan to evaluate the impact of their dissemination activities.

### **(e)(2) Student Discipline and School Climate**

*TN will solicit input on data reporting approach and publicize discipline and climate data*

The first step toward disseminating information on best practices related to student discipline and school climate is to make key data publicly available. Tennessee will partner with NACSA to increase the reliability, transparency, and availability of data related to student discipline in charters. To evaluate the effectiveness of current data collection and reporting processes, and to facilitate dialogue with internal and external stakeholders, the department will facilitate a series of in-person stakeholder working group meetings. These meetings will allow the department to collect feedback from authorizers, charter schools, support organizations, and

department staff. At the same time, the meetings will also provide an opportunity for the department to communicate its priorities for identifying best practices in student discipline.

*NACSA and the department will disseminate information about discipline and climate*

The department will also partner with NACSA to build the capacity of authorizers in Tennessee to monitor and evaluate charter school discipline policies and practices appropriately and effectively. Specifically, the department will publish resources and conduct in-person and virtual dissemination workshops with authorizers and charter schools across the state. Resource and workshop content will focus on promoting better understanding of the civil rights of students in charter schools related to school discipline and the policies and practices that charter schools must employ to ensure that those rights are protected. Content will build authorizer knowledge about the role of federal law in student discipline, including protections for students with special needs; how state law on discipline applies to charter schools; and the authorizer’s responsibility for monitoring and ensuring charter school compliance. It will promote effective strategies for authorizers to use to evaluate and oversee charter school discipline policies and practices at the charter application stage, at charter renewal, and throughout the course of the charter term.

*Learning conditions survey and climate survey will surface best practices from which to learn*

The department has been awarded a discretionary grant from the U.S. Department of Education to support district and school measurement of, and targeted programmatic interventions to improve, conditions for learning. Tennessee is one of 11 states that have been awarded this grant. Tennessee is the only state that has developed our own survey to determine conditions for learning with a goal to connect academic data to the conditions for learning data.

*School climate and discipline will be priorities for CSP dissemination subgrant*

The department will analyze the Tennessee School Climate Survey results to identify charter schools with the best conditions for learning aligned with high achievement data. Once

identified, the department will partner with these schools to assess best practices and encourage these schools to apply for dissemination grants. Student discipline and school climate data will be included as competitive priorities in awarding dissemination grants.

**(f) Oversight of Authorized Public Chartering Agencies**

Tennessee has become a leader in education reform across the nation and recognizes that quality charter school authorizing is a powerful strategy for creating exceptional public schools and offering high-quality educational opportunities for all students regardless of economic status, language barriers, or special needs. To that end, the department is committed to providing high-quality oversight of charter school authorizers through regular monitoring, evaluation of performance, technical assistance, and accountability through public reporting.

**(f)(1) Quality of SEA’s Plan to Ensure that Authorizers are:**

**(i) Focusing on Racial and Ethnic Diversity in Student Bodies**

*Tennessee requires charters to plan to serve diverse learners*

The state’s charter law maintains statutory provisions to help foster racially and ethnically diverse student bodies in public charter schools. This is in contrast to most district schools around the state that assign students to schools based on home address zoning assignments. Tennessee figures as one of the lowest diversity ranked states in K-12 public education, according to the 2014 Diversity Index rating<sup>3</sup>. Among Southern peer states, Tennessee has one of the lowest index scores (a low index score means less diverse).

This zone based assignment program that is predominant throughout the state often leads to racially isolated and segregated schools. Family income and housing patterns within towns and cities are powerful forces that, with a predominantly zone based school assignment system, results in more isolated and segregated demographic compositions of individual schools. In

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<sup>3</sup> <http://www.usatoday.com/story/news/nation/2014/11/25/minnesota-school-race-diversity/18919391/>

addition, the demographic data of many academic magnet schools (largely considered the “best” public schools) throughout the state indicate a much lower percentage of minority or ethnically diverse student representation within the school. Academic magnets by nature maintain admissions standards which are typically achievement score based, which is strongly correlated to family income, and often ends up having a discriminatory effect on low income and minority students gaining admissions into the state’s academic magnet schools.

Tennessee maintains three key provisions in its charter law to help encourage racial and ethnic diversity in public charter schools:

- A) TCA § 49-13-107 maintains that all public charter schools must be open enrollment by nature. Tennessee charter schools may not discriminate in admissions based on academic qualifications or any race or ethnic related factors. The law details that if the applications exceed the number of available seats, a lottery must be run that must be certified by the department or an independent accounting firm. In addition, authorizers maintain a watch on the enrollment practices of charter school operators to ensure that recruitment practices are equitable in nature.
- B) TCA § 49-13-114 makes clear that Tennessee charter schools that offer transportation services to enrolled pupils receive a higher per pupil rate. Thus, there is an economic incentive for charter operators to offer transportation to a student body, which helps expand access to racially and ethnically diverse student bodies within an LEA service area where housing patterns tend to be segregated.
- C) TCA § 49-13-107 requires that all applications to open a charter school must provide “a description of the anticipated student enrollment and the nondiscriminatory admission policies.” The department has taken this one step further by creating a state standard application that requires the applicant to describe in detail their plan to utilize and incorporate

evidence-based models and practices to recruit, enroll, and serve all types of students including racial and ethnically diverse and educationally disadvantaged students. Charter operators must articulate how they plan to address diversity during the application process.

The application requires signed assurances that the school will follow all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry, or need for special education services. Applicants must describe the community from which the proposed school intends to draw students, including the demographic profile and school zones within the LEA; provide a rationale for selecting the community where the proposed school will locate; discuss the academic performance of surrounding schools in that community; describe the specific population of students the proposed school intends to serve including how the implementation of the academic plan will meet the needs of the proposed target population; and provide a description of how the proposed school will provide a needed alternative for the community in which it seeks to locate.

Applicants must also explain how the school culture will embrace students with special needs, including students with disabilities, English Language Learners, and students at risk of academic failure; describe the marketing, recruitment, and enrollment practices of the proposed school; describe how students will be given an equal opportunity to attend the school; and describe plans for outreach to diverse populations including families in poverty, academically low-achieving students, students with disabilities, English Language Learners, and other students at risk of academic failure.

Additionally, applicants are required to attach their school enrollment policy, which must include the nondiscriminatory admission policies, pursuant to TCA § 49-13-107. Any misrepresentation of this information could result in disqualification from the application process or revocation after award.

Based on training provided in coordination with TACSA, authorizers will be expected hold schools accountable for fulfilling fundamental public education obligations to all students as outlined in Tennessee law, which includes non-selective, non-discriminatory access to all eligible students, fair treatment in admissions and enrollments, utilizing an impartial lottery system as outlined in statute if applications exceed contracted number of students, and ensuring appropriate services for all students including those with disabilities and English learners. As detailed in TACSA Standards, a quality authorizer considers diverse educational philosophies and approaches, expresses a commitment to serve students with diverse needs, and demonstrates a desire to ensure a diverse population of students has access to high-quality educational choices.

Diverse learning environments are critical to ensuring that K-12 students in Tennessee are prepared for postsecondary, future careers, and to be mindful citizens in society, and there is recognition of this in the state’s charter school law through maintaining statutory provisions that help encourage racial and ethnic diversity in public charter schools.

**(ii) Establishing Measureable Performance Expectations**

*TACSA support has strengthened and increased authorizers’ performance expectations*

Tennessee has a thorough oversight structure in place that guides the work of authorizers in the state. Each authorizer in Tennessee has established a set of processes for measuring and reporting the performance of its portfolio of charter schools, including the performance frameworks it uses to evaluate school performance, detailed charter school report cards which include school performance summaries, and published annual reports. During the previous CSP grant cycle, the department worked closely with TACSA to improve authorizing practices across the state. TACSA was founded with the goal of ensuring high-quality charter authorization across the state by advancing excellence and accountability in the authorization and oversight of charter schools in Tennessee. TACSA’s purpose is to create a professional pipeline for

authorizing, develop authorizer talents and abilities, offer statewide standards, and develop expertise that results in making Tennessee a national model of excellence in charter authorizing. There is strength in collaboration, and the department believes that all charter school authorizers in Tennessee working collectively will invariably result in excellent charter schools across the state that are authorized under the same high-quality standards.

One of the first actions completed by TACSA was establishing a Tennessee specific set of principles and standards. Using NACSA’s Principles & Standards as a guide, and with collaboration from authorizers, the department, the TCSC, the ASD, and the Tennessee School Boards Association, the Tennessee principles and standards are the outcome of an unprecedented attempt to find common ground and to strive for high standards in the charter sector with a goal of recognizing and sharing the same best practices reflected in NACSA’s original document while meeting Tennessee’s requirements and unique needs. The TACSA Principles & Standards for Quality Authorizing include three core authorizing principles. An authorizer must: 1) Maintain high standards for schools; 2) Uphold school autonomy; and 3) Protect student and public interests (see Appendix E-8 for TACSA Principles and Standards).

*Future TACSA support will ensure robust, aligned, authorizer expectations*

The department plans to extend the scope of its work with NACSA to develop state-specific model performance frameworks. Currently, each authorizer in Tennessee has established their own unique set of processes for measuring and reporting the performance of its portfolio of charter schools. With the CSP grant, Tennessee will contract with NACSA to develop Tennessee specific modules and resources that all authorizers can use in their daily practice. Specifically, the funding will be used to create the following model documents for use by authorizers: 1) Model performance frameworks; 2) Model annual authorizer report; 3) Model ready-to-open

checklist and process; 4) Model site visiting monitoring tools; 5) Training on maintaining the autonomy and accountability bargain.

In an effort to achieve consistency among authorizers across the state, model performance frameworks will be created and utilized to provide authorizers with a clearly defined measure of academic achievement (based on the definition of high-quality charter school as defined in this notice) as well as operational and financial performance expectations. Using the performance frameworks, authorizers will be able to provide charter schools with clear and measurable expectations, timely feedback, and maximize transparency. Performance frameworks will also serve as a comprehensive guide for charter renewal determinations.

*SBE's support from NACSA will enhance authorizing practices state-wide*

In accordance with state statute, the SBE is required to adopt national authorizing standards. It has contracted with NACSA to train staff and board members, develop authorizing policies, create a performance framework, and build out an application review process in line with high-quality authorizing standards. The SBE serves as an exemplar for authorizing and non-authorizing local boards of education on how to adopt national authorizing standards, and it works closely with all local boards to share best practices and improve authorizing practices statewide.

### **(iii) Providing Annual Public Performance Reports**

*TN publishes annual, public reports on individual authorizer and charter school performance*

Annual public reporting promotes transparency and facilitates state monitoring to ensure that all authorizers are carrying out effective, responsible oversight, thereby protecting the public investment in the state's public charter school movement. The department's annual report on charter schools provides cumulative state-wide charter school results in addition to authorizer and individual charter school data. Additionally, the TCSC publishes its annual State of the

Sector report to offer a progress report on the statewide charter school movement and provide enrollment, demographic, achievement, and growth data for each authorizer/portfolio (See Appendix E-9 for *2014-15 State of the Sector: Tennessee Charter Schools* report).

*CSP will enable the department to support annual reporting by authorizers*

Although the department and the TCSC provide annual authorizer reporting, the department sees the benefit in offering authorizers a uniform template for annual reporting. As a result, the department will utilize the resources provided by the CSP grant to develop a rigorous template for authorizers to use to provide a meaningful annual report on each of their charter schools. The annual authorizer report will be an accumulation of data from the performance frameworks and will provide information on each authorizer’s charter schools as well as provide authorizer accountability metrics to help maintain transparency and accountability on the authorizers throughout the state.

**(iv) Supporting Charter School Autonomy**

Tennessee recognizes the importance of maintaining the accountability and autonomy bargain between authorizers and its charter schools, but this line can be gray at times. Therefore, the department has prioritized supporting authorizers in ensuring an appropriately high level of accountability, balanced with sufficient levels of autonomy.

*The department provides clear guidance to authorizers on upholding autonomy*

The TACSA Principles & Standards for Quality Authorizing include three core authorizing principles. The first is to “Uphold School Autonomy”. According to this TACSA principle, which all Tennessee authorizers have adopted, a quality authorizer: 1) Respects and preserves core autonomies crucial to school success including: Governing board independence; Personnel; School vision and culture; Instructional programming, design, control of calendar, use of time; and Budgeting; 2) Strives for clarity, consistency, and transparency in developing and

implementing policies and procedures; 3) Assumes responsibility for holding schools accountable for their performance; 4) Minimizes administrative and compliance burdens on schools while holding them accountable for adhering to both state and federal requirements; and 5) Ensures objective and verifiable measures of student achievement as the primary measure of school quality, holding schools accountable for outcomes rather than processes.

*Statute and department support ensure authorizers hold charters accountable*

While the department supports charter school autonomy, charter schools will continue to be held accountable to meeting the terms of their performance contracts. Tennessee statute requires a contract with clear objectives for student performance, and charter schools must report progress on their performance goals annually. Authorizers may revoke charter schools which fail to comply with the terms of the charter.

In order to help authorizers continue to conduct an oversight process that is respectful of schools' autonomy, going forward the department, with the support of TACSA, will develop and provide training for the staff of authorizing districts on the key challenges to maintaining the autonomy bargain, strategies for holding schools accountable that do not overstep the bounds of this autonomy, and methods to maintain high expectations for charter school achievement.

**(f)(2) Quality of SEA's Plan to Ensure that Authorizers are:**

**(i) Seeking and Approving High-Quality Charter Schools**

*The department has multiple approaches to ensuring approval of high-quality operators*

In order to ensure that authorizers are seeking and approving petitions from applicants that have the capacity to create high-quality charter schools, the department has taken two specific approaches. First, it has created a streamlined application process for existing, high-quality school operators in Tennessee. Allowing proven operators to submit a replication application in lieu of an original application streamlines the application process and reduces

duplication of effort for applicants that have demonstrated academic, operational, and financial success and viability. The replication application allows authorizers to assess the applicant’s capacity to operate additional schools based on the results of its existing school(s).

Secondly, in order to ensure approval of high-quality petitions, the SBE hears appeals from charter school applicants who have been denied by local boards of education. Should the board overturn the district denial, they may direct the school district to approve the application, in which case the school district must act as authorizer to the charter school applicant. TCA § 49-13-108 provides “If the application is for a charter school in an LEA that contains at least one (1) priority school on the current or last preceding priority school list and if the state board finds that the local board's decision was contrary to the best interests of the pupils, school district or community, the state board may approve the application for the charter school. The decision of the state board shall be final and not subject to appeal. The state board shall be the chartering authority.” Just this year, the SBE ruled in favor of two charter school applicants seeking to open in a district with at least one priority school. The SBE is now the authorizer of these two schools.

The table below illustrates charter school applications, approvals, and appeals since charter school legislation was passed in Tennessee, demonstrating the selective nature for authorizing public charter schools in Tennessee. Thirty-six percent (36%) of new applications have been approved by LEAs. To date, the state board has received 72 appeals and 23 were successful (32% approval rate).

<b>Year</b>	<b># New Applications: # Approved</b>	<b># SBE Appeals: # Successful</b>	<b># ASD Applications: # Approved</b>
<b>2002</b>	8:4	3:0	--
<b>2003</b>	18:4	8:1	--
<b>2004</b>	14:7	2:1	--
<b>2005</b>	3:0	1:0	--
<b>2006</b>	5:2	1:0	--
<b>2007</b>	10:4	1:0	--
<b>2008</b>	12:6	1:1	--
<b>2009</b>	28:8	9:0	--
<b>2010</b>	23:11	6:2	--
<b>2011</b>	38:6	20:15	9:2
<b>2012</b>	15:5	5:1	10:8
<b>2013</b>	22:4	3:0	18:9
<b>2014</b>	26:17	6:0	7:1
<b>2015</b>	25:11	6:2	8:2
<b>Total</b>	<b>247:89</b>	<b>72:23</b>	<b>52:22</b>

**(ii) Monitoring and Conducting In-depth Reviews**

*Authorizers monitor charter schools on an annual basis per charter school reporting*

Working with charter schools and authorizers, the department has developed state guidance for periodic reviews. The guidance focuses on what the authorizer, school, and community should know at different stages in the school’s existence.

Mandatory annual reports by all public charter schools in the state provide authorizers with insight into the success of a school long before the mandatory five year review. As outlined in Absolute Priority 1, TCA § 49-13-120 details that “the governing body of the public charter school shall make at least an annual progress report to the sponsor of the school, the chartering authority, and the commissioner of education.” These reports must include financial and operational performance data and the progress of a school towards achieving the academic goals outlined in its charter. Information extracted from these reports provides authorizers with timely information. If areas of concern are seen, the authorizer has the opportunity to intervene, impose

consequences, and reduce the length of time that failing schools remain open. As detailed in earlier sections, the department supports legislation that would require authorizers to report annually on their entire portfolio of charter schools on a school by school basis. The state will use CSP funds to create performance frameworks that strengthen this annual report.

*Reviews every five years, as required by law, are monitored by the department*

Additionally, Tennessee law specifically requires a five-year review. TCA § 49-13-121 specifies “[a]n interim review of a charter school shall be conducted by the chartering authority under guidelines developed by the department of education in the fifth year of a charter school's initial period of operation and also in the fifth year following any renewal of a charter agreement. Such guidelines shall require a charter school to submit to the chartering authority a report on the progress of the school in achieving the goals, objectives, pupil performance standards, content standards and other terms of the approved charter agreement.” In an effort to support and assist authorizers and schools, the department has begun the process of strengthening the guidance and materials provided to support this five year review.

### **(iii) Using Data for Renewal and Revocation Decisions**

As stated in Absolute Priority 2, increases in student academic achievement for all groups of students is the most important factor in determining whether to renew or revoke a school's charter. As mentioned above in part ii, Tennessee law establishes a framework for an in-depth and consistent flow of data to help authorizers make key renewal or revocation decisions. These include requirements to ensure that operators submit: annual budgets and financials, year-end annual financial reports, annual school performance reports, annual independent audits and that charters also maintain a website to share information and maintain transparency regarding governance documents of the school.

Pursuant to TCA § 49-13-102(a), the purpose of the Tennessee Public Charter Schools Act is to “improve learning for all students and close the achievement gap between high and low students”. There is clear statutory oversight governing authorizers when it comes to the parameters of renewal and non-renewal decisions. Pursuant to T.C.A § 49-13-121, the renewal application criteria clearly spells out that a renewal applications shall contain a report detailing student academic performance and progress towards closing the achievement gap over the entire life of the charter, not just in the year or two prior to renewal. The statute outlines the importance of demonstrating consistent past academic performance throughout the duration of the charter term rather than promises of future changes. Authorizers have a rich database and information set to draw on given the yearly reporting requirements over the life of a charter to make informed renewal and/or revocation decisions.

At any time during the charter term, state statute allows for the authorizers to revoke a charter agreement. Pursuant to TCA § 49-13-122, authorizers can revoke or non-renew a charter agreement for reasons that include failure to meet the minimum performance requirements outlined in their charter agreement, for material violations of their charter, and fiscal management. If a charter school is identified as a priority school accounting to the state accountability system, the authorizer must revoke the school’s charter. Revocations due to identification as a priority school are not appealable to the SBE.

The performance frameworks discussed in selection criteria (f)(1)(ii) will provide authorizers and charter schools with yearly comprehensive information. Charter schools will be notified of their current status annually with respect to the renewal of their charter agreement: renew, renew with conditions, or non-renewal based on the school’s academic performance, organizational management, and fiscal policies. Through the utilization of performance

frameworks, authorizers and charter schools will see data-driven evidence and rigorous indicators of performance.

**(iv) Ensuring Accountability During Accountability Transition**

Charter schools will continue to be held accountable during any transitions to new state assessments or accountability systems. Charter schools in Tennessee are included in the state’s accountability system and are measured in the same way as all other public schools. When any measures or metrics change based on new standards or accountability systems, requirements for charter schools will be adapted through this process in accordance with state statutes. Pursuant to TCA 49-13-105, “neither the chartering authority nor the commissioner shall waive regulatory or statutory requirements related to federal and state student assessment and accountability.” During any transition to new assessments or accountability systems, charter schools will still be required to take state assessments and be held accountable to their contracts. The department in partnership with authorizers throughout the state communicates any new changes to state accountability systems to school operators.

**(g) Policy Context for Charter Schools**

**(g)(1) Degree of Flexibility**

*Charter flexibility is a priority captured within Tennessee charter law*

The purpose and intent of the Tennessee charter school law, per TCA § 49-13-102(b), is “to provide an alternative means within the public school system for ensuring accomplishment of the necessary outcome of education by allowing the establishment and maintenance of public charter schools that operate within a school district structure but are allowed maximum flexibility to achieve their goals.” Tennessee charter schools operate with a high degree of flexibility as indicated through waivers, fiscal independence, audits, and charter school powers.

**(i) Exempt from State or Local Rules**

*Charters may request waivers and have exemptions that offer them flexibility*

Charter schools in Tennessee are provided the autonomy to operate and manage their schools with fidelity so that students achieve. TCA § 49-13-105(a) provides latitude to charters to, “apply to either the chartering authority or to the commissioner of education for a waiver of any state board rule or statute that inhibits or hinders the proposed charter school's ability to meet its goals or comply with its mission statement.” Waivers may be requested within the charter application or at any time during the charter term. For each requested waiver, the applicant must state how the waiver of a rule will help improve student achievement.

Waivers are granted to charter schools on a case by case basis by either the authorizer or the commissioner of education. Some examples of approved waivers in Tennessee include variations to student/teacher contact hours per day, duty free lunch period, licensed principals, school year commencement, use of approved textbooks, licensed personnel salaries, etc. One example of an automatic waiver granted in statute for all charter schools is exemption from required participation in state group insurance plans. Charter operators have the autonomy to choose their own insurance plans.

**(ii) High Degree of Autonomy**

*Charters have autonomy over budget, spending, staffing, procurement and curriculum*

Tennessee’s charter schools are freed from much of the bureaucracy that often diverts a school’s energy and resources away from students, teachers and the mission of the school. This enables schools to use innovative models and approaches to help improve student learning.

TCA § 49-13-102 defines the purpose of charter schools is to “encourage the use of different and innovative teaching methods, and provide greater decision making authority to schools and teachers in exchange for greater responsibility for student performance.” That same statute continues with its intention “to provide an alternative means within the public school

system for ensuring accomplishment of the necessary outcomes of education by allowing the establishment and maintenance of public charter schools that operate within a school district structure but are allowed maximum flexibility to achieve their goals.”

TCA § 49-13-104 empowers the governing body of a charter school with decisions, “including, but not limited to, budgeting, curriculum and other operating procedures ...and by overseeing management and administration.” One of the most central components of the delivery of educational services is through management of the organization itself. TCA § 49-13-124 enumerates powers that a charter school has. Specifically, the charter school shall conduct activities necessary and appropriate to carry out its responsibilities including, 1) contract for services; 2) buy, sell or lease property; 3) borrow funds as needed; and 4) pledge its assets as security. TCA § 49-13-111 further delineates governing body powers to include the “control of instruction vested in the governing body of the school”.

Due to the fact that public charter schools receive a per pupil payment (the money follows the child), the dollars are budgeted and spent “micro-locally” at the school level. This flexibility of funds, rather than having a pool of funds centralized in a district central office for numerous district schools, allows charter schools to spend more dollars in the classroom and tailor programs and practices at the school level that better align with the needs of their particular student body. Rather than district wide spending decisions that may affect more than a hundred schools, charter schools for example can mix and match the purchase of a curriculum program that best meets the educational needs of their respective student bodies.

### **(g)(2) Comply with Federal Law**

*Authorizing LEAs ensure charters comply with Federal law*

Tennessee charter schools must provide special education services for students as provided in Part B of the Individuals with Disabilities Education Act; Title II of the Americans

with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Pursuant to state and federal law, charter schools are required to serve the needs of special student populations, including hiring licensed and endorsed special educators and licensed ESL instructors. School personnel shall participate in developing and implementing the Individualized Education Programs (IEPs); identify and refer students for assessment of special needs; maintain records; and hire appropriate personnel as may be required in an IEP (ex. Speech/language pathologist, occupational therapist, physical therapist, etc.).

All charter applicants must include in their application (which if approved becomes a legally binding contract) a signed assurances form that if awarded a charter they will “provide special education services for students as provided in TCA § Title 49, Chapter 10, Part B of the Individuals with Disabilities Education Act; Title II of the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973; will adhere to all provisions of federal law relating to students who are limited English proficient (LEP), including Title VI of the Civil Rights Act of 1964 and the Equal Educational Opportunities Act of 1974, that are applicable to it; will follow all federal and State laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry, or need for special education services.” Since Tennessee charter schools are not their own LEAs, authorizers ensure compliance within charter schools. LEAs must themselves meet these same requirements and are required annually to report compliance in these areas to the department’s general counsel. The commissioner of education is responsible for ensuring all laws are faithfully executed and is charged with taking corrective action when an LEA is not in compliance. The adherences by LEAs to laws are monitored through verification of data sources and annual monitoring visits.

**Application requirements:**

**1. Disseminating best practices** - Response to this application requirement can be found in the response to selection criteria (e) Dissemination of Information and Best Practices.

**2. Federal fund and programs** – Offices of Federal Programs within each authorizing district publicize federal funding opportunities to all schools, both traditional and charter. Offices of Federal Programs are also responsible for the administration and oversight of federal dollars in all schools. This includes distributing funds, ensuring that schools are in compliance with federal rules and regulations, and providing training and conducting school visits to provide assistance in how to use federal dollars. The Office of Consolidated Planning and Monitoring within the department is responsible for ensuring that districts distribute and spend their ESEA dollars in accordance with federal laws and guidelines. Districts submit applications, which include charter schools, for federal title dollars to the department annually. Each district also submits an annual budget that reflects any modifications made to the original application due to changes in actual allocations received from the federal government. All figures related to charter schools are reviewed by the department to ensure that the district has planned to allocate funds to all schools appropriately. The Office of Consolidated Planning and Monitoring also conducts district site visits to verify that federal funds are distributed and spent in accordance with federal law and guidelines. Districts are monitored annually. Any errors detected by the department may require the district to reallocate funds to a charter school. Charter schools with questions or ongoing concerns regarding their share of federal funding may contact the department for assistance in verifying that funds have been distributed appropriately.

**3. IDEA Compliance** – Tennessee charter schools are not considered to be LEAs under state law. LEAs in which charter schools are located will comply with sections 613(a)(5) and 613(e)(1)(B) of IDEA. LEAs must provide special education services for students as provided in Part B of the Individuals with Disabilities Education Act; Title II of the Americans with

Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Pursuant to state and federal law, LEAs are required to serve the needs of special student populations, including hiring licensed and endorsed special educators and licensed ESL instructors. LEAs shall ensure that school personnel participate in developing and implementing the Individualized Education Programs (IEPs); identify and refer students for assessment of special needs; maintain records; and hire appropriate personnel as may be required in an IEP (ex. Speech/language pathologist, occupational therapist, physical therapist, etc.).

**4. Logic model** – The logic model can be found in (b) Vision for Growth and Accountability.

**5. Lottery and enrollment preferences** – TCA § 49-13-113 covers charter school enrollment and lottery preferences and mandates that “a charter school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level or building.” The statute lays out the following preferences should applications exceed the planned capacity of the charter school: 1) Pupils in attendance in the previous school year at any public school that converts to become a public charter school; 2) Pupils attending during the previous school year another charter school that has an articulation agreement with the enrolling public charter school; provided, that the articulation agreement has been approved by the chartering authority; or a pre-K program operated by the charter sponsor; 3) Children residing within the LEA service area in which the public charter school is located, but who are not enrolled in public schools, if those children would otherwise be included in the area in which the public charter school will focus; and 4) Children residing outside the LEA in which the public charter school is located and whose needs would be included in the area in which the public charter school will focus. If enrollment within a one or more of the above preference groups exceeds the planned capacity of the school, enrollment within that group must be determined on the basis of a lottery. Within the lottery, preference may be afforded to: the

children of a teacher, sponsor or member of the governing body of the charter school, not to exceed ten percent (10%) of total enrollment or twenty-five (25) students, whichever is less; or the siblings of a pupil who is already enrolled. Charter schools must either request the department review and approve the lottery process or provide to the department with certification by an independent accounting or law firm that each lottery complies with the law.

A charter school may submit an application to focus on serving students who are assigned to, or were previously enrolled in, a school identified as a priority school; students who, in the previous school year, failed to test proficient in the subjects of reading/language arts or mathematics in grades three through eight (3-8) on the Tennessee comprehensive assessment program examinations (or end of course assessments in grades nine through twelve (9-12)); or students who are eligible for free or reduced price lunch. If so, then the school may give preference in enrollment to students from such group or groups.

The department will require each applicant for a CSP subgrant to include descriptions of its recruitment and admissions policies and practices, including a description of the proposed lottery and any enrollment preferences the school employs or plans to employ, and how those enrollment preferences are consistent with State law and the CSP authorizing statute.

**6. Objectives** – The department has identified three program objectives in order to support the overall goals of the charter school program. During the project grant period, Tennessee will: 1) Increase the number of high-quality charter schools; 2) Decrease the number of poor-performing charter schools; and 3) Support improvement in all schools with emphasis on educationally disadvantaged students. Additional information, including how these objectives will be fulfilled can be found in selection criteria (b) Vision for Growth and Accountability.

**7. Revolving loan fund** – This application does not propose to establish a revolving loan fund.

**8. Waivers** – This application does not contain any requests for waivers.