



2013/2014

TENNESSEE CHARTER SCHOOL CENTER STATE OF THE SECTOR REPORT





The current state of charter schools is strong and the future of the movement very bright. Charter schools are growing in number, diversity of academic offering and student enrollment. They are also growing in reputation, largely through the positive experiences of students, parents and families, and publicized performance data.

This first State of the Sector report, conducted by the Tennessee Charter School Center, demonstrates that charter schools are helping to close the achievement gap and raise expectations for students in the public education system. The report reveals that a handful of key themes are shaping the charter movement and the future of public education:

- Public charter schools are some of Tennessee's highest performing public schools.
- Tennessee is home to one of the nation's highest performing public charter school sectors.
- Charter schools are serving students that need them the most.
- Charter schools are innovative.
- Charter schools are good stewards of public resources.

Today, nearly 21,000 students attend 79 charter schools located largely in Memphis and Nashville, with a few schools in Chattanooga. A Knoxville school, supported by a roster of the community's business and civic leaders, will open in fall 2015.

To understand the current state of the charter movement, it's necessary to know how it began. In 2002, the Tennessee General Assembly approved charter schools as a strategic policy to improve public education in communities with struggling schools and systems, and in 2011 the law was expanded to provide all students access to charter schools. While charter schools are a relatively young reform concept in Tennessee, the performance record is impressive.

Accountability is an important concept for charter schools. The General Assembly and local school districts entrust charter schools with tremendous responsibility and freedom from many rules and regulations that apply to traditional public schools. In exchange for that flexibility, charter schools are held to an appropriately high level of accountability for performance and results. Accountability is fundamental for this public report on the state of charter schools.

The Tennessee Charter School Center is pleased to make this report available. We look forward to our continued partnership with the State of Tennessee, local school districts, communities, families, and students to improve public education in Tennessee.

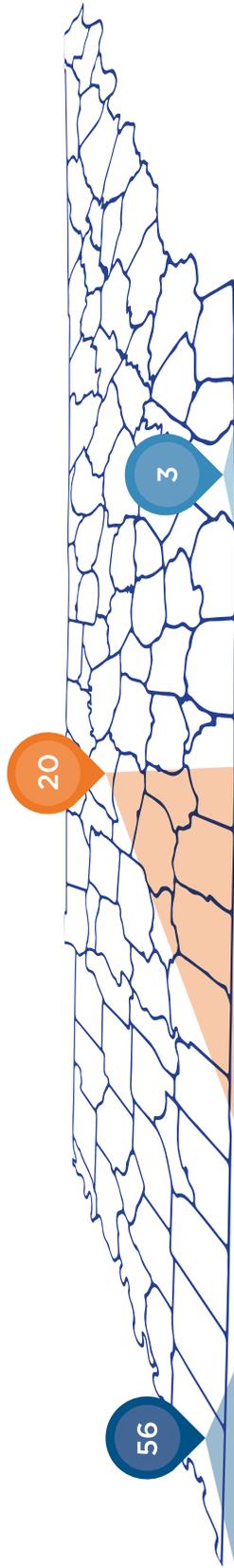
A handwritten signature in black ink that reads "Greg Thompson". The signature is fluid and cursive, with the first name "Greg" being more prominent than the last name "Thompson".

Sincerely,
Greg Thompson
CEO, Tennessee Charter School Center

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79 CHARTER SCHOOLS
27 ELEMENTARY SCHOOLS
24 MIDDLE SCHOOLS
26 NON-CMO HIGH SCHOOLS
13 HIGH SCHOOL MIDDLE SCHOOL



MEMPHIS

14,400 STUDENTS

ASD 15 / LEA 41

ELEM: 22 / K-8: 0 / MIDDLE: 16 / HIGH: 12

CMO 41 / NON-CMO 15

NASHVILLE

5,600 STUDENTS

ASD 1 / LEA 19

ELEM: 4 / K-8: 1 / MIDDLE: 8 / HIGH: 1

CMO 12 / NON-CMO 8

CHATTANOOGA

900 STUDENTS

ASD 0 / LEA 3

ELEM: 1 / K-8: 0 / MIDDLE: 0 / HIGH: 1

CMO 0 / NON-CMO 3

KNOXVILLE

ONE LEA APPROVED K-8 CHARTER SCHOOL WILL OPEN IN 2015-2016.

500 STUDENTS

NUMBER OF SCHOOLS

CHARTER MANAGEMENT ORGANIZATION

CMO

ACHIEVEMENT SCHOOL DISTRICT

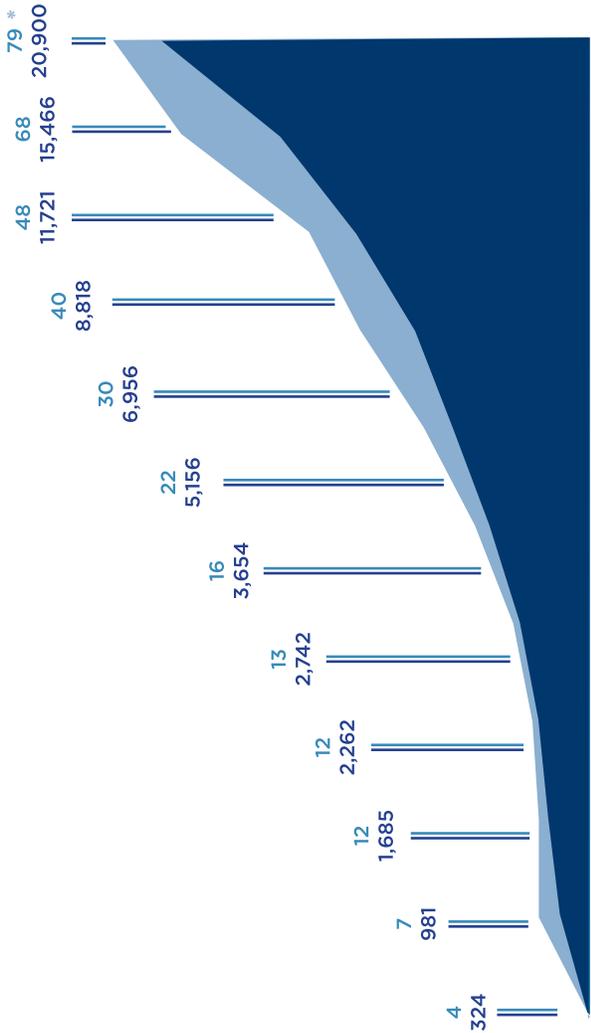
ASD

LOCAL EDUCATION AGENCY

LEA

*NUMBERS REPRESENT 2014-2015 ESTIMATES

SINCE 2003, **MORE AND MORE** TENNESSEE FAMILIES ARE CHOOSING A PUBLIC CHARTER SCHOOL.



● SCHOOLS

● STUDENTS

* ESTIMATED FIGURE FOR 2015

● STATE DATE

● NATIONAL DATA

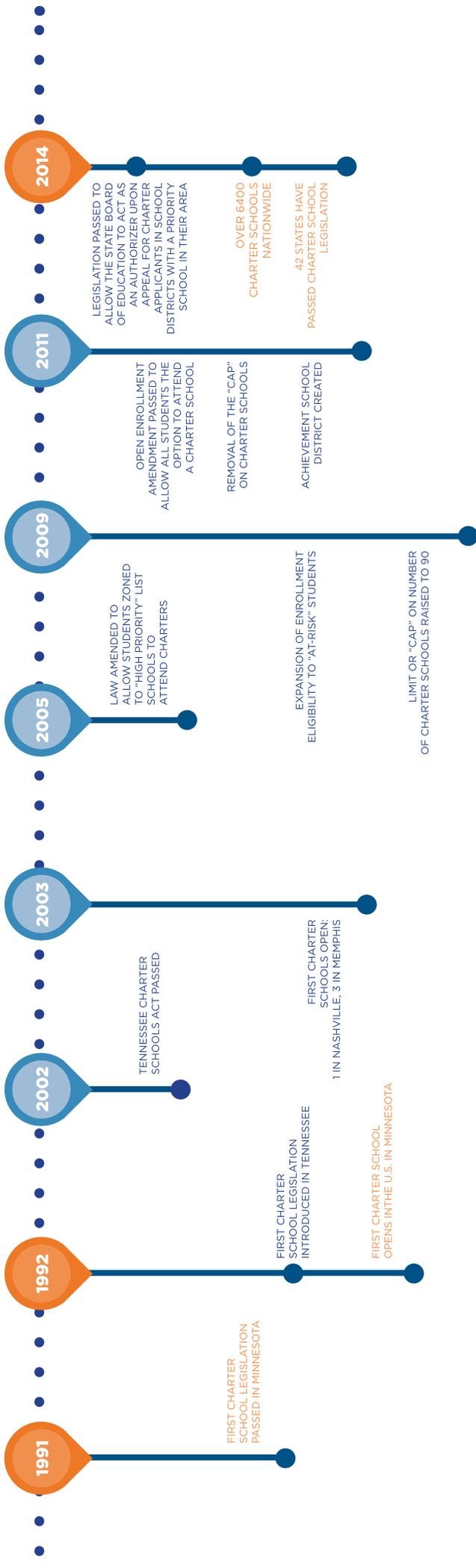
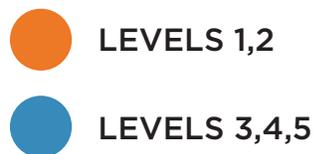
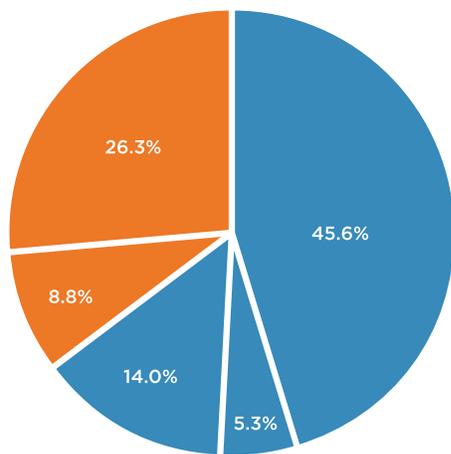




TABLE 1: 2013-2014 TVAAS COMPOSITE EVALUATION SCORES



Level	# of Charter Schools	% of Charters
5	26	45.6%
4	3	5.3%
3	8	14.0%
2	5	8.8%
1	15	26.3%

Schools serve a number of vital roles in the lives of children. They provide safe environments, are staffed by adults who care about students and act as role models, and they serve as incubators for curiosity, inspiration and learning, and outlets for creativity. The chief goal of public schools, among these key endeavors, is to identify and implement strategies that help all children learn the skills and information they need to expand their minds and find success later in life.

Schools – and school systems – also play a vital role in the potential of our state’s communities. Because today’s students are tomorrow’s workforce and civic leadership, continuous improvement of public schools is essential for Tennessee’s success. By all measures, Tennessee’s charter schools are making significant contributions to students and to the educational progress of local school districts.

Charter schools account for a significantly larger portion of the state’s Reward Schools list. In terms of both achievement and growth, Tennessee’s public charter schools represent some of the state’s highest performing public schools. Reward Schools are the top five percent of public schools in the state for performance (as measured by overall student achievement levels) and the top five percent for year-over-year growth, or progress (as measured by school-wide value-added data). While charters make up just four percent of Tennessee public schools, they represent nine percent of the 2014 Reward Schools. Charter schools, many of which are geared towards providing opportunities for typically underserved students, clearly are adding to Tennessee’s number of strong, high quality public schools.

Tennessee charters show some of the highest academic growth among Tennessee public schools as well as among charters studied nationally.

Academic achievement numbers are significant, but year-to-year growth can be an even clearer indicator of how schools help their students learn. The majority of charter schools continue to demonstrate strong Tennessee Value-Added Assessment System (TVAAS) Composite Evaluation scores, which measure each school’s efficacy in terms of student achievement growth (See Table 1). Over half of Tennessee’s charter schools were rated as either a Level 5 (Most Effective) or Level 4 (Above Average Effectiveness) during the 2013-2014 school year. An additional eight charter schools, or 14 percent of all charter schools, were Level 3 (Average Effectiveness). Table 2 lists all 2013-2014 Level 5 or Level 4 schools, the schools that demonstrated the greatest benefit in learning gains for their students.

In 2013 the Center for Research on Education Outcomes (CREDO) Foundation at Stanford University released a national charter school study that determined Tennessee’s charter school students were shown to learn the equivalent of an additional 86 days of reading instruction and 72 days of math instruction compared to their peers in traditional public schools. To put that rate of academic growth in perspective, such an impact increased academic gains by nearly the equivalent of an additional semester of learning in one year. Tennessee’s charter schools also perform well when compared to charter schools nationally. Tennessee was one of the leading states for learning impacts in student reading and math. Tennessee outperforms the charter schools of all other states with the exception of math impacts by Rhode Island (108 days) and the District of Columbia (72 days). This growth matters because it translates to students who are more likely to be prepared for high school graduation and for life in college or in a career.

TABLE 2: 2014 TVAAS 1-YEAR TRENDS FOR COMPOSITE SCORES 4 AND 5

District	Tier	School	2014 TVAAS Composite (1 yr trend)	Composite Level
ASD	ES	Cornerstone Prep	2.73	5
ASD	MS	Brick Church College Prep	2.33	5
ASD	MS	Power Center Humes Middle School	3.92	5
HCDE	MS/HS	Chattanooga Girls Leadership Academy	7.58	5
MNPS	MS	Cameron College Prep	14.55	5
MNPS	MS	Intrepid College Prep	6.22	5
MNPS	MS	KIPP Academy Nashville	6.75	5
MNPS	MS	KIPP Nashville College Prep	7.39	5
MNPS	MS	Knowledge Academy	9.89	5
MNPS	MS	Lead Prep Southeast	8.72	5
MNPS	MS	Liberty Collegiate	18.45	5
MNPS	MS	Nashville Prep	11.11	5
MNPS	MS	New Vision Academy	7.50	5
MNPS	MS	STEM Prep	15.11	5
SCS	ES	Southern Avenue Charter School	5.63	5
SCS	MS	MAHS	5.90	5
SCS	MS	Memphis Business Academy	4.26	5
SCS	MS	Memphis Grizzlies Prep	6.68	5
SCS	MS	Omni Prep Academy - Upper School	5.40	5
SCS	MS	Veritas College Prep	5.52	5
SCS	MS/HS	Freedom Prep Academy	13.26	5
SCS	MS/HS	Memphis School of Excellence	7.46	5
SCS	MS/HS	Soulsville Charter School	14.49	5
SCS	HS	MAHS High School	2.89	5
SCS	HS	Memphis Business Academy High School	7.77	5
SCS	HS	Power Center High School	13.67	5
MNPS	MS/HS	LEAD Academy	1.37	4
SCS	ES	Memphis Business Academy Elementary	1.55	4
SCS	HS	City University School of Liberal Arts	1.70	4

Tennessee charter students are graduating from high school and attending college at higher rates than their traditional public school peers.

In 2014, eight of the state's charter schools had graduating classes. In six out of eight of these schools the graduation rates exceeded both the district and state averages (See Table 3). Furthermore, charter school attendance positively affects college-readiness, particularly for African American and Hispanic students. After accounting for race and ethnicity, Tennessee charter school students outperformed

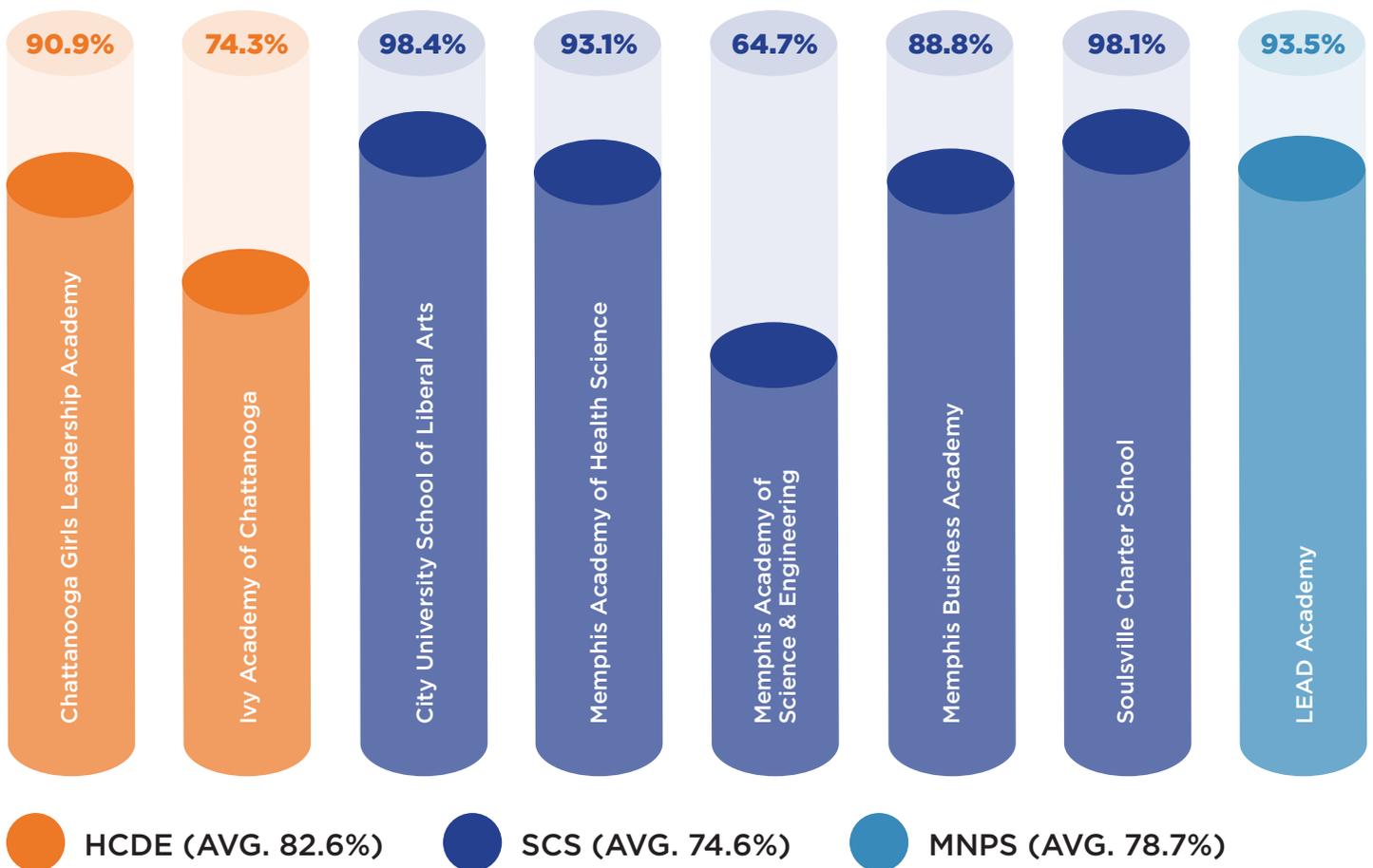
their district school counterparts with similar demographics on the ACT, a standardized college-readiness assessment (See Table 4). College admittance and scholarship opportunities, including the Tennessee Hope Scholarship, are contingent on ACT scores. Taken together, superior graduation rates and ACT performance clearly have a significant impact on postsecondary opportunities and future earnings potential.

Numerous studies reaffirm the value of a college education as the most certain path to career and financial success, and the fact remains that opportunities for people with postsecondary training or college

degrees will only continue to grow. In the period between 2007 and 2012, 2.2 million jobs requiring bachelor's degrees were created, while nearly 6 million jobs requiring a high school diploma were lost. It is predicted that 65% of the jobs created in the next six years will require some kind of training or education beyond high school, particularly jobs in the highest growth fields.

Tennessee's public charter schools are preparing students academically now to enable them to make choices about the type of career and training they wish to pursue in the future.

TABLE 3: 2013-2014 GRADUATION RATES



Tennessee charter schools are helping to close the achievement gap. The public education system in America is intended to offer an equal opportunity for all children to learn critical skills. Yet research demonstrates that without targeted intervention, students in disadvantaged populations often start and stay academically behind their more advantaged peers. Narrowing this achievement gap as children move through school is essential.

“Tennessee charters schools are succeeding in narrowing the achievement gap for minority students, economically disadvantaged students, and students with disabilities.”

Tennessee charter school data is not only competitive when comparing achievement results between student subgroups, but also when comparing charter school subgroups to overall district proficiency levels. Math, language arts, and Algebra I proficiency levels for Black, Hispanic or Native American students and economically disadvantaged students at a number of charter schools exceeded district proficiency levels for all students.

At 11 Memphis charters and eight Nashville charters, math proficiency levels for Black, Hispanic or Native American students and for economically disadvantaged students are above the district proficiency levels for all students. The same is true for three Memphis charters and eight Nashville charters in language arts and for six Memphis charters and two Nashville charters in Algebra I. These schools are helping close the achievement gap for students from demographics that have traditionally struggled to achieve at high levels.

Additionally, proficiency levels for economically disadvantaged students and students with disabilities attending Nashville charter schools are among the highest in the district. Of the top 10 schools in the district, in terms of proficiency levels for economically disadvantaged students, charter schools account for six in math, six in language arts, seven in science, one in Algebra I, and one in Biology I. The portion of the top 10 for proficiency levels that are charters is similar for students with disabilities: seven in math, four in language arts, seven in science, two in Algebra I, and one in Biology I.

Metro Nashville Public Schools offers an added tool for comparing student achievement across charter, district, and magnet schools. The Academic Performance Framework (APF) uses a common set of indicators to determine whether a school is implementing its academic program effectively and whether student learning occurs on a regular, sustained basis. The APF assigns schools to

TABLE 4: CHARTER SCHOOL ACT SCORES AND DEMOGRAPHICS

Type	District	School Name	2014 ACT Composite	%White	%African American/Hispanic
Charter	HCDE	Chattanooga Girls Leadership Academy	13.8	5.7%	93.1%
Charter	HCDE	Ivy Academy	17.6	68.2%	30.3%
HCDE District Average			19.0	57.6%	39.7%
Charter	MNPS	LEAD Academy	18.0	8.5%	90.0%
MNPS District Average			18.4	31.1%	64.5%
Charter	SCS	City University School of Liberal Arts	16.5	0.0%	100.0%
Charter	SCS	Memphis Academy of Health Sciences	16.3	0.0%	99.8%
Charter	SCS	Memphis Academy of Science & Engineering	16.5	0.5%	99.5%
Charter	SCS	Memphis Business Academy	16.1	1.9%	98.1%
Charter	SCS	Memphis School of Excellence	13.8	0.5%	97.7%
Charter	SCS	Soulsville Charter School	18.6	0.0%	99.8%
SCS District Average*			17.7	20.2%	76.8%

*In 2012-13, pre-merger, the Memphis City Schools ACT Composite was 16.2. The Shelby County Schools ACT Composite was 20.9. The 2013-14 Composite of 17.7 for Shelby County largely reflects more high achieving ACT Composite schools coming from the legacy Shelby County Schools system.

five status categories (in order of strength to weakness): Excelling, Achieving, Satisfactory, Review, and Target. During the 2013-2014 school year, 11 of the 13 charter schools that remained open were scored as Excelling overall (see Table 5). In terms of efforts to close the achievement gap, nine charter schools were scored as Excelling, one was scored as Achieving, and two were scored as Satisfactory. Nashville's charters are doing exceptionally well, both in overall status and achievement gap closure.

Data in a framework could never tell the full story of an individual child or of their school. Effective educators use a number of points of information beyond test scores

or grades to track each student and ensure that they are prepared to succeed. But these numbers help form a clearer picture of the growth students are achieving and the progress schools have made, which in turn helps parents, educators, and policy makers understand which areas in public education need to be strengthened, and which successful efforts should be replicated and built upon.

TABLE 5: 2014 MNPS ACADEMIC PERFORMANCE FRAMEWORK, CHARTER SCHOOLS

Tier	School	2014 Status	2013-14 Achievement Gap Status
MS	Cameron College Prep	Excelling	Satisfactory
MS/HS	Intrepid College Prep	Excelling	Excelling
MS	KIPP Academy	Excelling	Excelling
MS	KIPP College Prep	Excelling	Excelling
MS	Knowledge Academy	Excelling	Excelling
HS	LEAD Academy HS	Excelling	Excelling
MS	LEAD Academy MS	Review	Review
MS	LEAD Prep Southeast	Excelling	Achieving
MS/HS	Liberty Collegiate Academy	Excelling	Excelling
MS/HS	Nashville Prep	Excelling	Excelling
MS	New Vision Academy	Excelling	Excelling
ES	Smithson-Craighead Academy	Satisfactory	Satisfactory
MS	STEM Prep Academy	Excelling	Excelling
Closed at end of 2013-14 year:			
MS	Boy's Prep	Target	Review
K-8	Drexel Prep School	Target	Target
Charter schools with no current score:			
MS	Brick Church College Prep	No Score (part of ASD)	
ES	East End Prep	No Score (no tested grades)	
K-8	Nashville Classical	No Score (no tested grades)	
ES	Purpose Prep	No Score (no tested grades)	



Tennessee's charter schools overwhelmingly serve a student population made up of a diverse range of students, a majority of whom come from low-income families and many of whom are a part of the state's growing population of English Language Learners. These are student groups who often struggle academically, but charter schools are using their ability to be flexible and innovative to help these students achieve strong academic success.

A frequent allegation against charter schools is that charter leaders "cream," or purposely enroll only those students who are more academically gifted, more privileged or more motivated. Those who criticize charter schools on this basis use the argument to denigrate the successes of charter school leaders and teachers.

A Vanderbilt University study of Nashville charter schools reveals that charter schools serve student populations comparable to their traditional public school counterparts.

In fact, Nashville charters serve a higher proportion of minority students, students who qualify for free and reduced lunch and students with disabilities than do the non-charters in Metro Nashville Public Schools (See Table 6). Furthermore, Hispanic students are equally represented in Nashville charters and MNPS. Similarly, charters in Memphis serve a higher proportion of minority students and students who qualify for free and reduced lunch. Non-charters in Memphis serve a slightly higher proportion of students with disabilities.

A number of Tennessee charters are also serving disproportionately high percentages of English Language Learner students. Students classified as English language learners face increased difficulty at school. Their academic performance is historically well below their English-speaking classmates, and they are at a higher risk for dropping out of school. Charter schools in Tennessee are meeting the challenge of successfully serving these new Americans. During the 2013-2014 school year, 15.3% of Nashville students, 6.6% of Memphis students, and 4.5% of all Tennessee students were designated as having limited English proficiency. Cameron College Preparatory (36.7%), Intrepid College Preparatory (26.6%), STEM Prep Academy (25.7%), Aurora Collegiate Academy (23.7%), Lead Prep Southeast (21.2%), and Memphis Business Academy Elementary (11.2%) all serve high percentages of ELL students and are providing these students with tailored instruction to learn English and to allow them to excel academically. Several of these schools, and their students, were named as Reward schools, among the

state's top five percent, for 2014. These numbers illustrate the commitment Tennessee charters have to students for whom English is not the first language.

Charter schools serve a higher percentage of economically disadvantaged students and are demonstrating an impressive ability to help these students achieve high levels of academic performance.

The academic successes of these students speak for themselves. This is particularly remarkable given that numerous studies correlate poverty with low academic achievement. Despite serving student bodies that are composed of more than 75 percent economically disadvantaged students, many Nashville charters boast 2014 TCAP performance exceeding 50 percent proficient or advanced in a tested subject. These schools have shown that they are "beating the odds" on 2014 state TCAP assessments - these schools serve a large proportion of students from high poverty homes and are ensuring that these students excel academically. Nine charters in Nashville met these criteria in math, compared to five traditional public schools. In language arts, seven charters reached this goal, compared to just one district school. Ten charters met these standards in science, while only four district schools did. LEAD Academy, the only Nashville charter high school open during the 2013-2014 school year, met these criteria for Algebra I, English II, and Biology I. Tennessee charters are not only serving a large proportion of disadvantaged student populations; they are also ensuring that these students excel academically.

While Tennessee charter schools as a whole serve a slightly lower percentage of special education students than traditional public schools, a 2014 study conducted by the Center on Reinventing Public Education reveals there is more to these numbers. A significant reason for the difference is that charter schools are less likely to classify students as special education than traditional public schools.

“Because charter schools offer more flexible classroom environments, teachers have the freedom to respond to individual student needs without the special education classification.”

While special education students are less likely to transfer to charter schools, those who attend charter schools are more likely to remain enrolled. Five years after enrolling in kindergarten, roughly 65 percent of special education students in charter schools were still enrolled in their original schools compared to only 37 percent of special education students enrolled in traditional public schools. At the state level, the Tennessee charter school community actively attempts to advertise and promote special

education programs in charter schools. The Tennessee Charter School Center has convened a statewide task force composed of charter school office and district personnel from across the state to study best practices across the country and determine what will be most effective for Tennessee.

Charter school mobility rates are lower than many traditional district schools.

A 2014 study conducted at Vanderbilt University at the request of MNPS found no evidence of “forced exits.” Rather, an in-depth analysis of student exits across charter schools in Metro Nashville Public Schools could demonstrate no pattern of push-out or forced exit of struggling students and instead concluded that poverty was a far more likely cause of student mobility. In fact, one of the significant conclusions cited in the report’s Executive Summary reads: “The percentage of students who transferred out of traditional schools was nearly double that of either charter or magnets.” Data from the 2013-14 school year shows that Memphis charters have higher stability rates, higher retention rates, and a noticeably lower expulsion rate compared to district schools. While student mobility is a challenge across the district, charter schools are demonstrating success in finding ways to help students stay the course and achieve.

TABLE 6: 2013-2014 TN CHARTER SCHOOL DEMOGRAPHICS

NASHVILLE DEMOGRAPHICS ○ CHARTER ● DISTRICT

2013-2014 Enrollment	%Free or Reduced	%EL	%SWD	%Hispanic	%Black	%Native American	%Pacific	%Asian	%White
4,481	88.2%	11.3%	13.7%	19.9%	69.6%	0.1%	0.0%	1.2%	11.4%
77,631	73.6%	16.0%	12.4%	19.9%	43.5%	0.2%	0.1%	4.2%	32.1%

MEMPHIS DEMOGRAPHICS

2013-2014 Enrollment	%Free or Reduced	%LEP	%SWD	%Hispanic	%Black	%Native American	%Pacific	%Asian	%White
8,974	82.7%	1.1%	8.9%	3.6%	95.1%	0.1%	0.0%	0.2%	0.7%
141,746	69.4%	5.3%	12.7%	9.5%	65.2%	0.1%	0.1%	2.7%	21.3%

CHATTANOOGA DEMOGRAPHICS

2013-2014 Enrollment	%Free or Reduced	%EL	%SWD	%Hispanic	%Black	%Native American	%Pacific	%Asian	%White
706	81.9%	3.8%	9.6%	9.6%	72.1%	0.3%	0.0%	0.3%	17.4%
43,531	58.7%	4.5%	13.2%	8.5%	31.2%	0.3%	0.1%	2.4%	57.6%





Collaboration across school districts provides an opportunity for charter schools to be used as an innovative and effective tool for turnaround.

Through local school districts and the state-wide Achievement School District, charter schools have proven they can transform low performing schools into some of the highest performing schools across the state. In partnership with the ASD, Memphis's Gestalt Community Schools has successfully removed Humes Preparatory Academy from the state's priority list, the bottom five percent of schools. In only two years of operation, Gestalt has shown that the use of charter school autonomy can bring positive change to student achievement. In Nashville, the local school district matched LEAD Public Schools with

Cameron Middle School in an effort to turnaround one of the state's lowest performing schools. This is Tennessee's first charter school conversion through a local district, Metro Nashville Public Schools, and one of the state's most successful examples of turnaround. LEAD Public Schools has steadily transformed a priority school into a reward school for outstanding progress in student growth within four years.

LEAD chose to phase in a grade each year to ensure the highest levels of success for the new school. Due to this phase in, the comparison of Cameron College Prep, the charter run school, and Cameron Middle School, the district run school, has provided a clear picture of the success possible within one community of students. With growth scores almost doubling the scores at Cameron Middle, Cameron College Prep has steadily increased their percentage

of proficient and advanced students within three years. The level of academic achievement continues upward as LEAD completes their phase in with all middle school grades in the 2014-15 year.

CAMERON COLLEGE PREP AND CAMERON MIDDLE SCHOOL THREE YEAR COMPARISON

	Cameron College Prep	Cameron Middle School	
2014	Grades Served	5-7	8
	Growth Composite	14.55	9.8
	Growth Level	Level 5	Level 5
	Math % P/A	52%	50%
	RLA % P/A	31.8%	30.1%
2013	Grades Served	5-6	7-8
	Growth Composite, 2 year trend	15.04	8.77
	Growth Level, 2 year trend	Level 5	Level 5
	Math % P/A	22.5%	29.9%
	RLA % P/A	28.1%	20.9%
2012	Grades Served	5	6-8
	Growth Composite, 3 year trend	19.54	8.42
	Growth Level, 3 year trend	Level 5	Level 5
	Math % P/A	22.5%	29.9%
	RLA % P/A	28.1%	20.9%

Charter schools allow for school leaders and teachers to utilize a variety of innovative techniques and models to ensure all students learn. Whether it is a new element to the school curriculum or a way to maximize instructional time, charters are consistently trying new things to take academic achievement to the next level.



Valor Collegiate Academy provides a unique model for extra-curricular activities. Following each eight weeks of instructional time, two weeks of elective activities, coined “Expeditions,” are led by apprentice teachers under the supervision of faculty members. During these two weeks, Valor scholars dive deep into new subjects, such as computer coding, health and wellness, chess, or creative arts. At the same time, apprentice teachers practice their skills and faculty members spend this time focused on professional development and planning.



RePublic Schools launched their first school specializing in computer coding with the Nashville Academy of Computer Science. Computer coding has been identified as a career field with one of the highest projected earning potentials and is a subject students can embrace as valuable to real life. RePublic brings computer coding to public schools through their creative curriculum. All NACS scholars have classes in computer coding built into their schedule along with core subjects like reading, math and science. To expand this learning opportunity further into the Nashville community, RePublic partners with other district schools such as Bailey STEM and Apollo Middle Prep.



The Soulsville Charter School celebrated their third year in a row with 100% high school graduation and 100% of graduates accepted into four-year colleges and universities. These graduating classes boast some of the largest awards for scholarships at some of the most prestigious schools across the country. Graduates are well-prepared due to the rigorous curriculum at Soulsville, but part of their preparation is due in part to Soulsville’s unique Summer Growth Experience program. Required of all rising seniors, scholars build their resumes and experiences through volunteer programs, internships and fellowships during the summer. Along with their high academic achievements, these local and national experiences have allowed Soulsville graduates to become more competitive on a national scale.



Aspire Public Schools’ teacher residency program provides an example of how charter school autonomy allows schools and charter school systems to develop and innovate on a grander scale. In Aspire’s case, they have combined the best practices from professional development and talent acquisition, and developed them into a nationally recognized teacher preparation program. Replicated after the medical residency model, Aspire prioritizes the combination of theory and practice by placing resident teachers alongside veteran teachers in a full year of mentorship and an additional three years of support once they are leading their own classroom. Along with this mentorship opportunity, resident teachers are equipped with weekly in-person seminars with other instructional professionals and online class work to continually study and hone their craft. After the successful completion of their resident year that teachers can receive their professional credentials and master’s degree, residents continue on with the official hiring process in the Aspire school system. Unique among teacher training programs, Aspire’s teacher residency has received national attention for providing an innovative and effective way to train and develop expert teachers.





As state and local government budgets become more constrained, particularly in Tennessee, it is important for public education systems and their schools to operate efficiently and to continue to find creative ways to provide a high quality education using fewer resources. The charter schools in Tennessee are meeting this challenge and succeeding.

The charter sector in Tennessee has shown strong academic performance despite receiving less public funding, demonstrating a high return on public investment.

Charter schools serve a higher percentage of low income and minority students than traditional public school averages, but have been able to leverage their flexibility to develop curricula and learning environments that allow their students to beat the odds. Tennessee's charter schools have demonstrated high graduation and college going rates, and have been able to exhibit significant academic growth with their students annually—despite serving a substantial number of students who were academically behind when they arrived.

“Charter schools are achieving these impressive results despite receiving substantially less public money than traditional public schools.”

Most significantly, charter schools do not receive local capital outlay funds that are provided to districts by local county governments. In 2014, for example, Davidson County allocated

\$100M (approximately \$1,288 per student) to Metro Nashville Public Schools to address capital needs (new construction and facility renovations). In the same year, the Shelby County Commission allocated \$65M (approximately \$458 per student) to Shelby County Schools for capital improvements. Charter schools in Nashville and Memphis, though public schools under the district governance structure, did not receive any capital dollars from county governments. As a result, charter schools had to fund facility needs using BEP (Basic Education Program) dollars, which would have otherwise been spent in the classroom. This amounted to over \$11.5M in academic program funds being diverted to facilities in 2014 by charter schools. Some charter operators are fortunate to secure limited philanthropic resources. However, most do not and must thus operate with tight budgets to deliver on their mission of providing high quality education to all students.

Charter schools are financially transparent, public institutions that are required to submit annual financial audits to the State Comptroller.

To ensure accountability in the use of taxpayer dollars, the Tennessee Public Charter Schools Act requires that every charter school undergo an annual audit by an independent accounting firm. These audits are then submitted to the State Comptroller, the Department of Education, and the Local Board of Education (LEA) and are made available to the public on the State Comptroller's website.

Furthermore, charter authorizers (district, Achievement School District and the State Board of Education) provide continuous monitoring of charter schools through the regular review of charter school student attendance figures, budgets and annual reports. At the end of each fiscal year, the State Department of

Education requires an annual financial report and budget to be filed with the charter authorizer and the State.

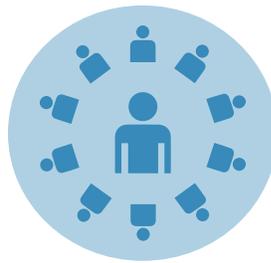


CITY PERFORMANCE



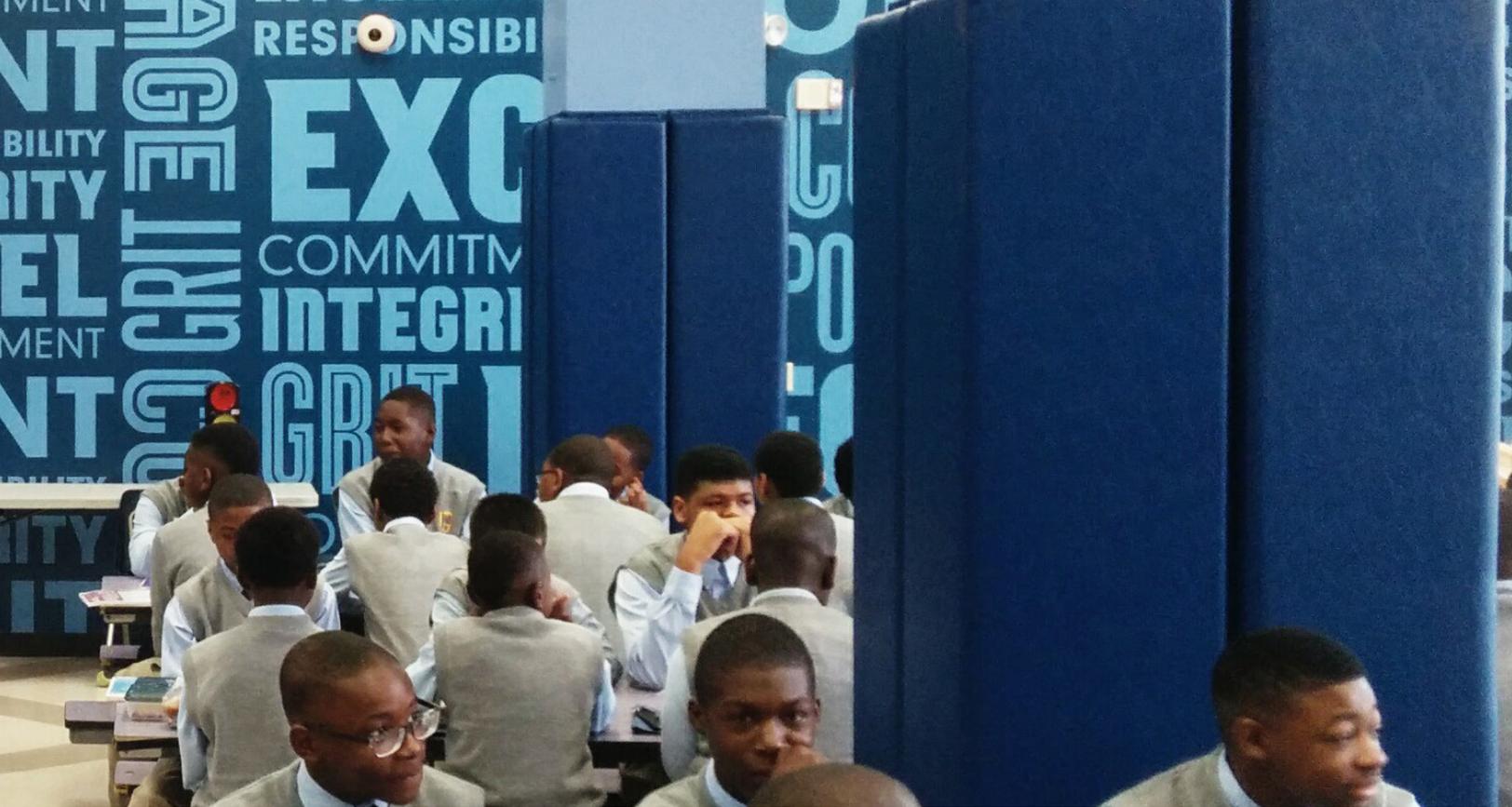
QUALITY-FOCUSED AUTHORIZING

A healthy charter school sector requires an authorizer committed to increasing access to quality schools. Though the authorizer's first responsibility is rigorous and fair evaluation and approval or denial of charter applications, they must also manage other responsibilities with equal dedication. A strong authorizer implements transparent policies and exercises oversight to ensure schools are holding up their end of the charter bargain, holding them accountable and even closing schools when standards are not met.



MULTIPLE TALENT PIPELINES

A healthy charter school sector has robust and reliable talent pipelines that can meet the urgent and increasing need for high quality teachers and staff members, as well as source talent for non-instructional roles in both schools and organizations that provide specialized support and services to schools.



COMMUNITY SUPPORT AND RESOURCES

Community demand for more quality school options is essential for a healthy charter school sector. This includes: parents and students who are eager for new public school options; community members and organizations who are willing to advocate for increased autonomy, accountability, and choice in their cities' public schools; and foundations and donors who stand ready to help bridge the funding gap that exists between charters and their district counterparts.



ACCESS TO EQUITABLE FUNDING AND FACILITIES

To have the strongest charter sector possible, equitable funding among all public schools - traditional and charter - is essential. This means that each child served by a public school brings along to their school the same amount of per-pupil and local capital outlay resources, allowing charter schools fair and full funding with which to carry out their mission.



MEMPHIS

Memphis is home to Tennessee’s first charter schools and currently has the largest charter school sector in the state. With nearly 60 charter schools in operation, a number of nationally recognized talent and support organizations working in the city, and a coordinated and committed philanthropic community, Memphis is well-positioned to make dramatic improvements in the overall health of its charter school sector. The two areas of focus should be strengthening its authorization practices and providing equitable funding to all of its charter and traditional public schools.



COMMUNITY SUPPORT AND RESOURCES

The growth of Memphis’ charter school sector can be attributed in large part to the focused and coordinated efforts of its philanthropic community over a number of years. Local foundations not only championed some of Memphis’ first charter schools, but they also worked to improve state policy and were instrumental in recruiting national talent and education reform organizations to the city.



ACCESS TO EQUITABLE FUNDING AND FACILITIES

Equal access to funding continues to be a challenge for the charter sector in Memphis. Currently, charter schools receive 100% of BEP funding but no local capital outlay dollars. Furthermore, all special education funding remains with the district, which has sole discretion over the services it provides to charter schools. Greater transparency in these areas and the adoption of the Shelby County Charter School Compact would be instrumental in bringing resolution to these issues.



MULTIPLE TALENT PIPELINES

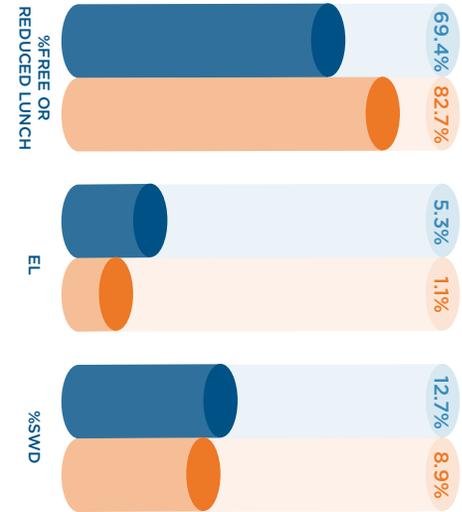
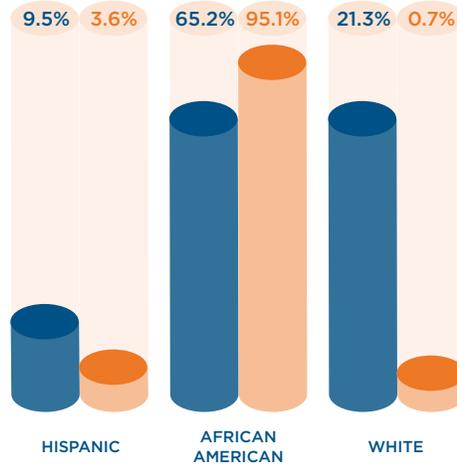
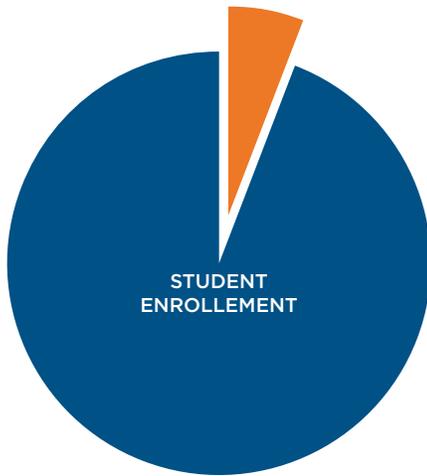
Federal and national philanthropic funding—combined with strong political and philanthropic leadership at the local and state level—has made Memphis an ideal site for the expansion of education reform and talent organizations looking to broaden their impact in a high-need, high-potential market. The recent addition of Education Pioneers Ops 360 and Leading Educators, has continued to build on the foundation laid by Teach for America, The New Teacher Project, New Leaders, etc., by providing the much needed pipelines in the areas of school leadership, teaching, and operations.



QUALITY-FOCUSED AUTHORIZING

Currently, there are two charter authorizing bodies in Memphis: the Achievement School District (ASD) and Shelby County Schools (SCS):

2013-2014 ENROLLMENT DATA



● DISTRICT: 141,746

● CHARTER: 8,974

The Achievement School District, at its inception in 2010, partnered with the National Association of Charter School Authorizers (NACSA) to design and implement its authorization process. As a result, the ASD has been able to develop a rigorous, evidence-based process for determining which charter operators can open schools in Memphis. The ASD is now moving into a phase of its work in which it will have to implement and maintain robust processes and high standards around the charter growth of its already approved operators.

The Shelby County Schools charter office has gone through some recent changes with the merger of Memphis City Schools and Shelby County Schools and the development of the larger Office of Innovation (which now houses the charter school office). Having authorized charter schools for over 10 years, Shelby County has gained a significant amount of experience in evaluating new charter applications and in providing oversight of operating charter schools, has adopted a number of NACSA best practices and has continued to make improvements in its processes and practices. Several areas could be strengthened to ensure the Memphis charter school sector continues to improve and maintains high standards for charters around academics and operations:

Applicant Interview

Having an interview process during the application phase is critical to assessing the quality and capacity of the charter school applicant and will significantly increase the likelihood of making a sound authorizing decision as well as ensure the overall process sets and maintains a high standard for approval.

Formalized Process for Charter School Closure

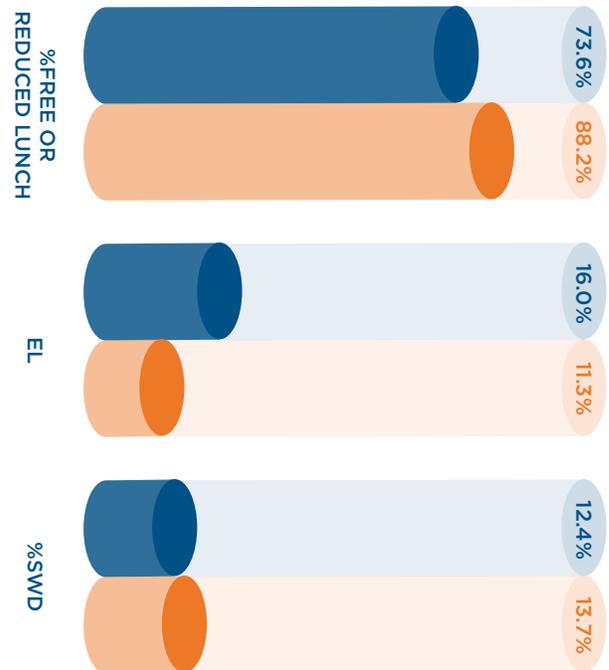
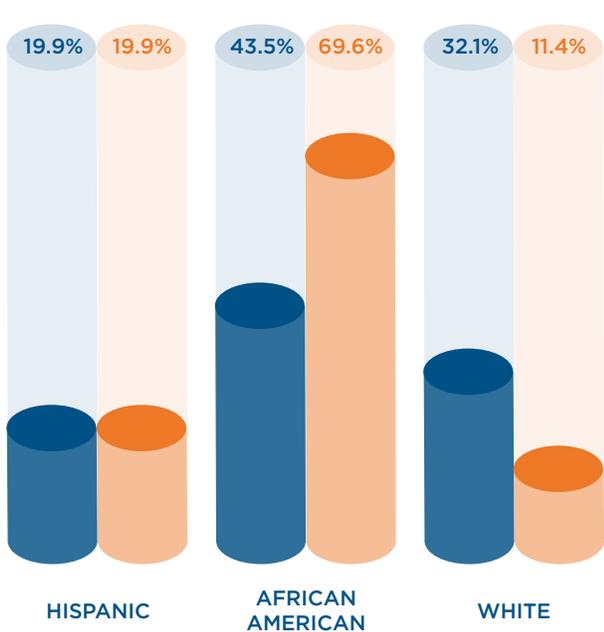
Accountability is a hallmark of the charter school sector and charter schools that underperform can and should be closed. Having a clear process and standards for closure is critical to ensuring consistent quality across the charter school sector.

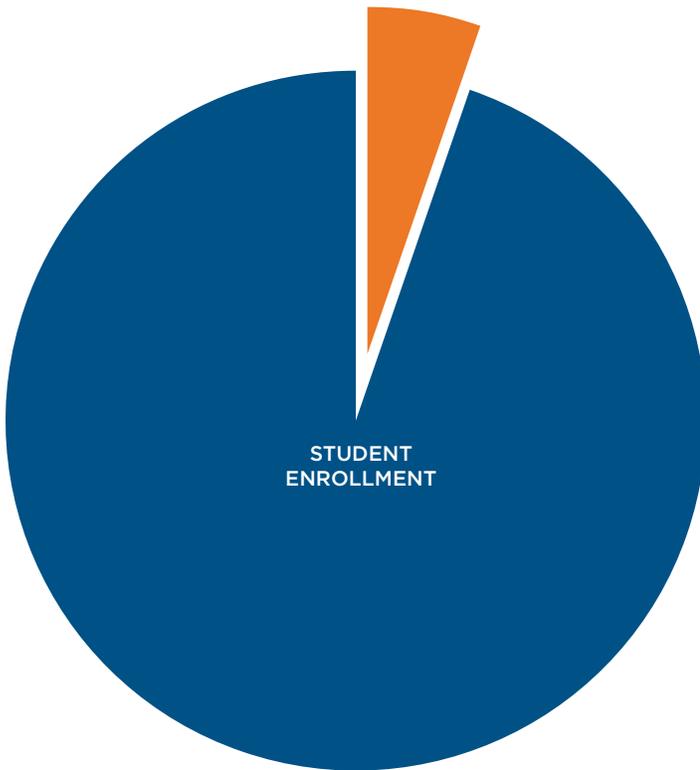


NASHVILLE

Nashville's unique position as a growing and diverse urban district has made it fertile soil for a high quality charter sector and for a vigorous debate over the role of charter schools in the public education system.

2013-2014 ENROLLMENT DATA





● **DISTRICT: 77,631**
 ● **CHARTER: 4,481**



QUALITY-FOCUSED AUTHORIZING

Metro Nashville Public Schools (MNPS) has demonstrated a deep commitment to quality through its implementation of strong authorizing practices that largely follow NACSA’s Principles & Standards for Quality Authorizing. While sometimes undermined by politics, this process has provided a significant return on investment resulting in 76% of eligible charters considered high-quality according to MNPS Academic Performance Framework. This quality has also been supported by the authorizer’s willingness to use data and due process to close low performing charter schools, thus strengthening the sector as a whole.



MULTIPLE TALENT PIPELINES

Nashville’s charter schools have strong partners in Teach for America, The New Teacher Project, and University-based education schools such as Vanderbilt and Lipscomb. However, as the sector has grown, competition for this limited pool of talent has become fierce and demand for new pipelines has increased. New pipelines will need to be created to ensure that its schools have the talent they need both inside and outside the classroom.



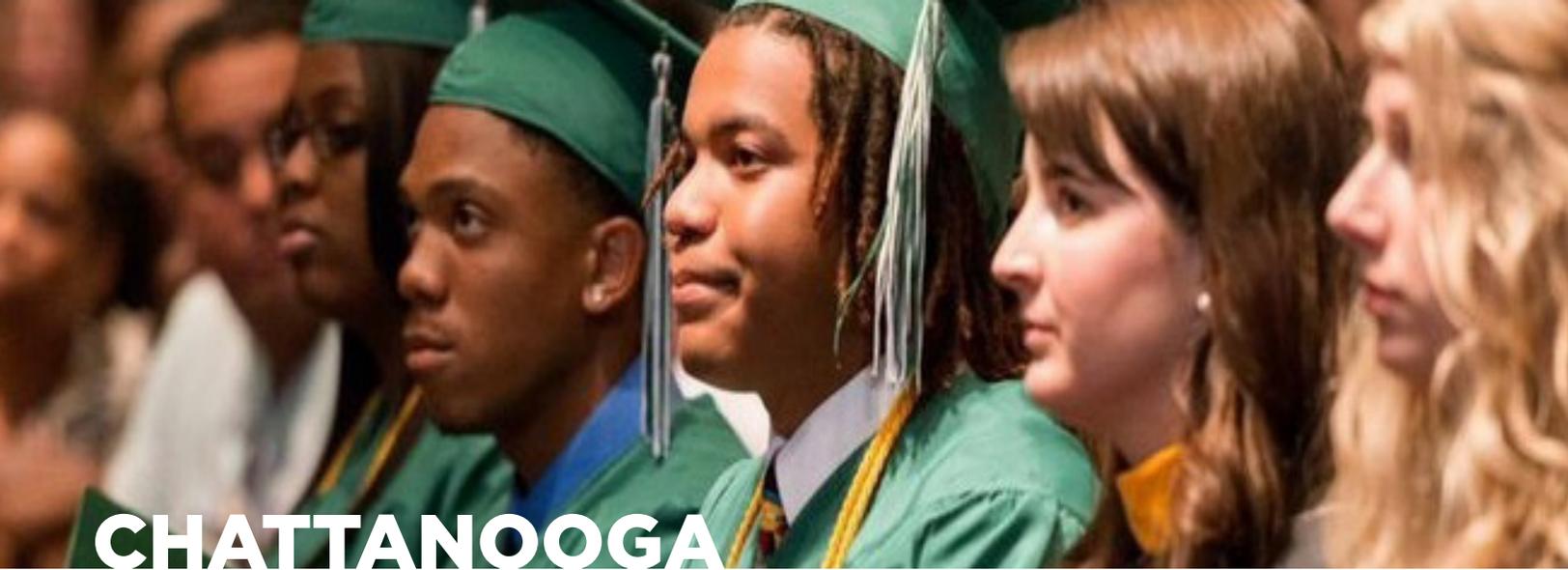
COMMUNITY SUPPORT AND RESOURCES

Nashville’s charter sector has been supported by local foundations committed to improving public education in the city. As the sector grows and matures, it will continue to need a broad base of philanthropic support as well as increased grassroots support from parents and community members. This has already started to happen as the number of families choosing charter schools has grown exponentially in the last several years and as additional local foundations have begun lending their support. Both are necessary to ensure that conditions exist for a healthy charter school sector in Nashville.



ACCESS TO EQUITABLE FUNDING AND FACILITIES

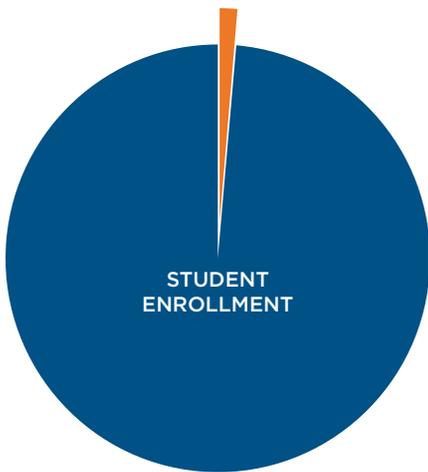
Nashville charter schools currently receive 100% of BEP funding, but still do not have access to local capital outlay funds. As a growing district, access to facilities is the primary challenge. Despite helping to absorb some of the district’s population growth, charter schools must either pay rent to the district for buildings (when available) from their BEP allocation or secure private funding for facilities.



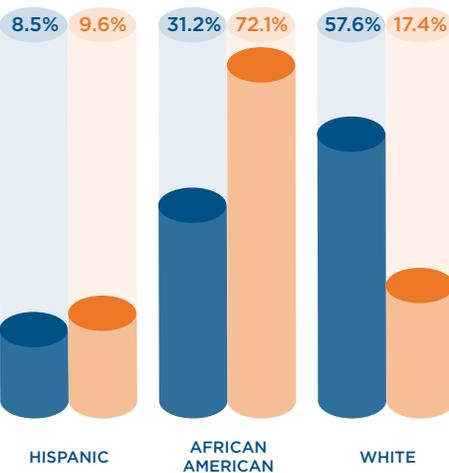
CHATTANOOGA

Despite the need for more quality schools, Chattanooga’s charter sector remains small. Across all four indicators of a healthy charter school sector, Chattanooga has opportunities for improvement if it wants to grow in size and quality.

2013-2014 ENROLLMENT DATA



● DISTRICT: 43,531



● CHARTER: 706





QUALITY-FOCUSED AUTHORIZING

Hamilton County has yet to establish clear and transparent authorization processes that are focused on quality outcomes for students. State and local policies are often interpreted in ways that are inconsistent, and communication and oversight has been a challenge.



MULTIPLE TALENT PIPELINES

In order to support further charter school growth and improvement, Chattanooga needs to develop the political and philanthropic will to court organizations and programs to increase sources of talent.



COMMUNITY SUPPORT AND RESOURCES

Chattanooga's charter schools receive philanthropic and communal support individually but have yet to be viewed as a sector. This leaves individual schools and the sector as a whole vulnerable to changing political tides and makes it difficult to hold the authorizer accountable.



ACCESS TO EQUITABLE FUNDING AND FACILITIES

Chattanooga charter schools receive 100% of BEP funding but do not have access to local capital outlay funds. Facilities funding remains a challenge for some charter schools. In anticipation of further growth, access to facilities funding needs to be pursued.



In 2014, Knox County Schools approved its first charter school. Emerald Academy will open in the fall of 2015. This is an exciting first step toward increasing quality school choice in some of the neediest neighborhoods of Knoxville. As an emerging charter sector, Knoxville will continue to need philanthropic, communal, and political support to ensure that its growth is high quality.



Tyiesha Moorehead

The state of Tennessee's charter sector is strong, having experienced significant and sustained academic success and enrollment growth over the last four years. In the 2014-15 school year more than 20,000 students are enrolled in charter schools. Ensuring equal funding, rigorous state standards and assessments and providing charter schools with access to public facilities are all critical to maintaining momentum and improving the capacity for charter schools to improve the state's public education system.

FUNDING

Funding is a complicated and challenging issue for public schools, regardless of school type. In Tennessee, although the vast majority of charter schools are approved by local public school districts to meet the needs of underserved student populations or to help accommodate growth in the districts, charters do not have access to all of the same resources that districts provide to traditional public schools.

A recently released report from the State Comptroller found that there is no proper and regular mechanism in place to ensure that authorizing districts are passing state or local funds through to charter schools in accordance with the law, and that charter schools very well may not have access to all of the revenue streams that are provided to districts and subsequently shared among traditional public schools. Many charter schools also do not have access to some federal funding, such as Title III funds for English Language Learners, that is utilized by traditional public schools. Traditional public schools have also enjoyed access to local tax and bond revenues, while charter schools have not. Though the amounts of funding disparity may range from large to small, all public school leaders would agree that every dollar matters. This is not an issue of charter school advocates seeking extra resources, but rather an issue of equity in funding among public school students.

FACILITIES

One of the biggest and most common challenges Tennessee charter schools face is finding and financing suitable facilities. For public charter schools, often new startup business organizations themselves, facilities suited to be a school are often difficult to find, and are also very expensive. Many must find and lease commercial spaces and renovate the buildings to accommodate the needs of a school, or accept an old district building in need of costly repairs, such as heating and air systems, new roofs or special needs accommodations such as elevators. While traditional public schools in Tennessee are able to utilize local tax and bond revenues to finance building construction and maintenance, public charter schools are not granted this critical funding stream, creating a two-tiered system of public education. As a result, public charter schools in Tennessee spend an average of 13 percent of their BEP per-pupil funds on rent and necessary facility upgrades and maintenance. Several schools in Memphis and Nashville are forced to spend more than 20 percent of their BEP per-pupil funds on facility costs. In 2013, this equated to nearly \$12M spent statewide on facility costs instead of the money being spent in classrooms. As a matter of equity and fairness, this funding gap must be addressed.

STANDARDS

Another significant issue facing charter schools and traditional public schools alike is the need for strong state standards for public education, competitive with those in the best performing states in the country. Rigorous state standards and assessments are critical to continue our state's recent improvements in educational outcomes.

Beginning with the Tennessee Diploma Project in 2007, and continuing with the adoption of the Common Core in 2010, our state has recognized that rigorous standards and assessments are the surest path to dramatically improved student outcomes. Tennessee's ascendance as one of the fastest improving education systems in the nation can largely be attributed to this commitment to rigor and accountability. As political skirmishes over the Common Core standards continue, we must not lose sight of the need to pursue, enact, and sustain rigorous standards that raise the bar for Tennessee's students.

Charter schools are one tool that school districts in Tennessee can use to continue an already inspiring trajectory towards national excellence in public education. Each of these policy goals seeks to improve the ability of charter schools to contribute to the quality of education in their communities and ensure that each child in Tennessee has equal access to an excellent public school education.





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2013/2014

**TENNESSEE CHARTER SCHOOL CENTER
STATE OF THE SECTOR REPORT**