



Annual Authorizer Fee Report

December 1, 2018

Pursuant to Tennessee Code Annotated (T.C.A.) §§ 49-13-108 and 49-13-142, the State Board of Education (State Board) serves as the chartering authority and local education agency (LEA) for charter schools that it authorizes on appeal if the local board of education and the charter school operator do not mutually agree that the local board of education will be the authorizer. The State Board's authority as a charter school authorizer is governed by T.C.A. § 49-13-142 as well as relevant State Board [charter school authorizer policies](#).

The State Board's mission in charter school authorizing is to increase families' access to high quality school options, and the State Board has adopted national and state authorizing standards which serve as the foundation for its work as a charter school authorizer. In its work as an authorizer, the State Board provides its authorized charter schools with autonomy and flexibility in exchange for high accountability.

The State Board serves as the LEA of its authorized charter schools in accordance with T.C.A. § 49-13-142(g) and, therefore, is required to fulfill the same responsibilities of all other school districts in the state of Tennessee in addition to fulfilling its responsibilities of being a charter school authorizer. The State Board school district is wholly comprised of charter schools authorized on appeal, and, prior to the approval of the State Board's three authorized charter schools, the State Board was not established or functioning as an LEA. The State Board has built the infrastructure to fulfill its responsibilities of serving as both the LEA and the chartering authority of its charter schools, and the responsibilities include but are not limited to:

- Manage the flow of all federal, state, and local funds to its charter schools;
- Maintain a student information system and oversee data reporting to the state from its schools;
- Develop and implement school improvement plans to fulfill requirements under the Every Student Succeeds Act (ESSA);
- Monitor its authorized charter schools to ensure compliance with federal and state laws, rules, and policies;
- Provide oversight and monitoring of its charter schools to ensure all students are being served as required by law, including English Learners, students with disabilities, homeless students, students in foster care, and other special populations;
- Provide oversight of test administration and transportation programs;
- Conduct background checks of all employees, contractors, and volunteers of its authorized charter schools;
- Develop and maintain policies and procedures for its role as an LEA; and



- Fulfill charter school authorizer responsibilities including managing the pre-opening process for new schools, conducting annual site visits, and producing an annual report on the performance of its charter schools.

In school year 2017-2018, the State Board funded its work as a charter school authorizer and an LEA through the State Board’s general operating budget as well as through the collection of an authorizer fee. In accordance with T.C.A. § 49-13-118, the State Board collected an annual authorizer fee of 4% of its one open and operating charter school’s per pupil state and local funding.

From July 1, 2017 to June 30, 2018, the State Board collected the following total revenue in an authorizer fee:

Authorizer Fee for the 2017-2018 School Year	Total Amount Collected
4% of Per Student State and Local Funding	\$ 54,745.45

From July 1, 2017 to June 30, 2018, the State Board spent the authorizer fee on the following expenditures:

Account Number	Line Item Number	Description of Expenditure	Amount	Rationale for Expenditure
72210	308	Part-time contractor to fulfill LEA obligations regarding the administration of federal programs	\$25,690.00	<p>The State Board serves as the LEA for its authorized charter schools, and it is required to fulfill its responsibilities of an LEA under ESSA. The federal programs contractor’s responsibilities included but were not limited to:</p> <ul style="list-style-type: none"> • Developed and implemented the LEA plan; • Supported the authorized charter school in the development of its school improvement plan; • Completed the Consolidated Funding Application required by the Tennessee Department of Education; • Processed reimbursement requests for federal funds by the authorized charter school; • Monitored the implementation of ESSA within the State Board and the authorized charter school; and • Completed all required state and federal reporting for the Tennessee Department of Education. <p><i>This contractor was partially paid through the State Board’s general operating budget in addition to the authorizer fee.</i></p>

Account Number	Line Item Number	Description of Expenditure	Amount	Rationale for Expenditure
72220	308	Part-time contractor to fulfill LEA obligations regarding the oversight and monitoring of special populations	\$12,707.65	<p>The State Board serves as the LEA for its authorized charter schools, and it is required to fulfill its responsibilities of an LEA under the Individuals with Disabilities Education Act, ESSA, and other federal and state laws to ensure all students are served appropriately. The special populations contractor's responsibilities included but were not limited to:</p> <ul style="list-style-type: none"> • Provided oversight of Individualized Education Programs (IEPs) within the EasyIEP system; • Monitored the implementation of services provided to students with disabilities to ensure alignment with the students' IEPs through regular check-ins with school-level staff and on-site monitoring; • Monitored the screening, placement, service, and annual assessment of English Learner students through regular check-ins with school-level staff and on-site monitoring; and • Completed all required state and federal reporting for the Tennessee Department of Education. <p><i>This contractor was partially paid through the State Board's general operating budget in addition to the authorizer fee.</i></p>
72210	309	Translation of applicable LEA policies/procedures to ensure that all families could access information regarding the State Board school district	\$6,347.80	<p>The State Board serves as the LEA for its authorized charter schools, and in order to comply with state and federal laws, rules, and policies, the State Board developed LEA policies and procedures to govern its work as a school district. In accordance with federal law, the State Board had a select number of policies and procedures translated into Spanish so that parents could access this information. The State Board only translated the policies and procedures that directly impacted students, and the translated policies and procedures are available on the State Board's Schools Website.</p>
72510	399	Back office financial and federal programs support provided by the Tennessee Department of Education for the	\$10,000.00	<p>The State Board serves as the LEA for its authorized charter schools, and all federal, state, and local funds flow through the State Board to the authorized charter school. Pursuant to T.C.A. § 49-13-142(b)(1), the Tennessee Department of Education supported the review and processing of these funds which included but was not limited to:</p> <ul style="list-style-type: none"> • Reviewed monthly requests for reimbursement of federal funds for allowability; and



Account Number	Line Item Number	Description of Expenditure	Amount	Rationale for Expenditure
		State Board school district		<ul style="list-style-type: none"> Processed monthly reimbursement requests and journal vouchers for Basic Education Program (BEP) funds.
Total Expenditures (July 1, 2017 to June 30, 2018)			\$ 54,745.45	

Distribution of Unused Authorizer Fee Funds (if applicable)

In the 2017-2018 school year, the State Board utilized resources from the State Board’s general operating budget and its authorizer fee to fulfill its authorizing obligations under T.C.A. § 49-13-142. In accordance with T.C.A. § 49-13-118(e), the State Board is required to return to its authorized charter schools any unused authorizer fee funds. In the 2017-2018 school year, the State Board used all of the authorizer fee funds collected by its authorized charter school, and therefore, no funds were returned.