

Charter Schools Update



2017 Charter Application Cycle

2017 Charter School Application Cycle

- The Department received 41 letters of intent from potential charter school sponsors for the 2017 cycle.
- 20 charter school applications were submitted:
 - 3 submitted to MNPS
 - 15 submitted to Shelby County Schools
 - 1 submitted to Hamilton County Schools
 - 1 submitted to Robertson County Schools



Status of Charter School Applications

- One application was approved by the Hamilton County School Board
- 2 applications were denied by the MNPS Board
 - One of the applicants withdrew
 - 2 of the applicants submitted an amended application
- 15 applications were denied by the Shelby County
 School Board
 - 12 sponsors have submitted an amended application
- One application was denied by the Robertson County School Board
 - Applicant submitted an amended application, which was also denied by the board.





CSP Grant

2016 CSP Grant Award

- The Department was awarded \$19.5 million in October of 2016.
- 3 year grant award designed to provide financial assistance for charter school start-up, including planning, program design, and initial operation and to provide charter schools with dissemination subgrants.



Subgrant Eligibility

- Charter schools must be a newly approved charter school in their planning year or first two years of operation.
- Charter schools must have a binding contract/ charter agreement with their authorizer which includes the rights and responsibilities of both parties.
- Charter schools which previously received a CSP subgrant or other federal grant for planning and implementation are not eligible to apply.



Subgrant Awards

- Award period: July 1, 2017 through July 31, 2019
- Planning period: up to 18 months prior to school opening
- Implementation period: first two years of operation
- Maximum Award Amount: \$600,000
- 10 charter schools received a grant on July 1
- Next award period scheduled October 2017 for schools approved during the 2017 application cycle



2017 CSP Grant

- TDOE has submitted another CSP grant application for SEAs
- Request: \$17.8 million
- 5 year grant
- Purpose: High-quality charter school expansion
- Technical assistance for operators and authorizers





Charter School Facilities

Charter Schools Facilities Fund

- The Tennessee High-Quality Charter Schools Act established a public charter schools facilities fund of \$18 million for the next three years
- The purpose of the funding is to assist charter schools in acquiring and improving property to support a high quality education for all students
- The FY 18 budget includes \$6 million dollars for charters
- Any funds not expended by the state at the end of the FY can be reinvested for the benefit of the fund



Year 1 Funding Awards

 Type of Award: Non-competitive grants to charter schools who meet the high-quality eligibility requirement

• Eligibility Requirements:

- The charter school must have opened no later than the 2014-15 school year;
- The school must show evidence of strong student growth, reflected by TVAAS scores from the most recent data available.



Use of Funds

- Funds may be used for:
 - Any costs associated with the purchase or lease of property
 - General capital improvements to existing and available buildings (provided the capital outlay project meets requirements)
 - Assistance with the repayment of debt incurred for existing capital outlay projects



Capital Outlay Projects

- An approved capital outlay project must meet the following criteria:
 - The charter school must either own the facility or property upon which they plan to build a facility, be in the process of purchasing the facility via lease-purchase agreement, have a long-term lease of no less than five years, or have an MOU with their authorizer for use of facilities.
- The renovation or construction must be:
 - Necessary to ensure the health and/or safety of students; or
 - Necessary to ensure an environment conducive to learning



Examples of Allowable Projects

- Examples of construction or renovation projects that meet requirements:
 - HVAC replacement or repair
 - Electrical/plumbing/roof repair or improvements
 - Security renovations or enhancements
 - Asbestos or other hazardous material removal
 - Classroom additions or conversion
 - Addition or renovation of physical activity spaces
 - Cost or fees associated with code compliance and/or inspections



Oversight and Monitoring of Funds

- Awards will be reimbursement based and recipients will be required to submit proof of work done, or proof of facilities lease or purchase
- The department reserves the right to request any additional documentation deemed necessary to verify the use of funds
- Applicants will be required to sign basic financial assurances regarding any misuse of funds





Authorizer Fee

Authorizer Fee

- Beginning with the 2018-19 school year, LEAs serving as charter authorizers will receive an authorizing fee.
- The authorizing fee will be the lesser of 3% of the annual per student state and local allocations or \$35,000 per charter school.
- The LEA must use the authorizer fee exclusively for fulfilling authorizing obligations.



Authorizer Fee – Next Steps

- Develop rules for the use of authorizer fee funds that support districts in meeting their authorizing obligations and providing services to their charter schools.
- Work with NACSA and other stakeholders and partners to identify best practices for authorizer fee use.
- Gather feedback from charter leaders and charter authorizers in September.
- Present proposed rule to SBE at the October board meeting.





Questions?



Districts and schools in Tennessee will exemplify excellence and equity such that all students are equipped with the knowledge and skills to successfully embark on their chosen path in life.