



TO: Tennessee Public Charter School Commission

FROM: Tess Stovall, Executive Director

DATE: December 2, 2024

SUBJECT: Invictus Nashville Amendment Petition

Background

Invictus Nashville Charter School, Inc. ("Governing Board") entered into a charter agreement with the Tennessee Public Charter School Commission ("Commission") on January 31, 2024. The agreement allowed the governing board to establish and operate Invictus Nashville Charter School ("Invictus Nashville" or "the school") in Davidson County serving kindergarten through eighth grade with a maximum enrollment of 792 students. Subsequent to the signing of the charter agreement, Invictus Nashville exercised the option allowed under T.C.A. § 49-13-110 to delay opening by one year, setting the opening for the school to the 2025-26 school year.¹

The school's opening was delayed until the 2025-26 school year due to challenges in securing a suitable facility. This delay impacted the school's ability to retain families initially interested in enrolling their children for the 2023-24 school year. The school and governing board determined that the amendment to open with second grade allows Invictus Nashville to honor the commitment made to families who were anticipating a first-grade start and now need a second-grade placement. By opening with second grade, Invictus Nashville can recapture the interest of those families who were part of the initial recruitment efforts and ensure a smooth transition for students who have been with the program since the school's inception. This amendment aligns with the school's initial grade band proposal for the 2025-26 school year and allows Invictus Nashville to fulfill their mission of serving the community and providing a high-quality Montessori education to students in kindergarten through second grade in the 2025-26 school year.

Pursuant to T.C.A. § 49-13-110(d), the governing body of a public charter school may petition the authorizer to amend the charter agreement. The Commission is charged with determining the timelines for approval of amendment petitions and the process for reviewing these petitions. Under Commission Rule 1185-01-01-.04, a public charter school may petition for the addition or removal of a grade level. In the case of Invictus Nashville, it was determined that the addition of the second grade in the first year of operation was a material modification to the charter agreement. Upon receipt of an amendment petition, the Commission is responsible for reviewing and scoring the amendment application with the Tennessee Department of Education's scoring rubric and must act on the petition within sixty calendar days of receiving the petition.²

Commission staff independently reviewed the amendment petition, attachments, budgets, and contingency plan submitted by Invictus Nashville. Commission staff and Invictus Nashville met after the filing of the amendment petition to discuss the school's progress toward staff recruitment, community support as evidenced by submitted intents to enroll, progress on identifying and securing a facility, and contingency planning. Staff collectively drafted follow-up questions for the operator related to academics, operations, and financial items and the school responded

¹ See T.C.A. § 49-13-110(b).

² Tenn. Comp. R. & Regs. 1185-01-01-.04(1)(h).

to these additional questions on November 11, 2024. The analysis below is based on materials submitted by the school and the numerous conversations between Commission staff and school representatives.

Analysis

The Commission strives to be a first-in-class authorizer and desires to support the charter schools in its portfolio to best set them up for success. Recommendations for approval or denial of each amendment requested in an amendment application will be based on the materials submitted as well as the authorizer's due diligence in accordance with Commission Policy 3.900. Invictus Nashville is requesting an amendment to add second grade to its opening year, which was originally planned to be kindergarten through first grade. This change is prompted by the needs of families who were initially interested in enrolling their children in first grade in the 2024-25 school year that are now seeking a second-grade seat for the upcoming year. This amendment will benefit both students and teachers by allowing for the immediate implementation of mixed-age classrooms, a core element of Montessori pedagogy, which is expected to enhance the school's academic program. It also allows younger students to learn from older peers and fosters leadership skills in older students, creating a richer learning environment for all.

The need to delay opening stemmed from the significant challenges in securing a suitable facility in time to open in the 2024-25 school year as initially planned. The operator has continued to engage in an extensive facility search since its initial authorization and is currently in late-stage negotiations on a prospective site with the goal to have the lease finalized by the winter break. To bolster the facility plan and ensure preparedness, the school is exploring alternative options while finalizing the lease. This proactive approach ensures a robust contingency plan, enabling swift action should the preferred facility become unavailable. The application demonstrates continued community support for the school as evidenced by fifty-seven submitted applications as of November 7, 2024 and 103 intent-to-enroll forms spanning kindergarten through second grade, indicating that the school is on track to meet its enrollment target in Year 1. Additionally, the amendment demonstrates a proactive approach to ensure a quality education option for all students and families that initially expressed an interest in enrolling their student at Invictus Nashville.

The amendment application presents contingency plans in case the amendment to add second grade is not approved or if unforeseen circumstances, such as lower-than-projected enrollment or fundraising, arise. These plans include adjusting staffing and operational expenses by reducing the number of teaching assistants, shifting to part-time positions, and reducing administrative and elective teaching positions. Further cost-saving measures may include limiting expenses for equipment, supplies, and professional development. If necessary, the school is prepared to open with kindergarten through first grade and implement mixed-age classrooms in Year 3, as originally planned. This demonstrates the school's commitment to providing a high-quality education and maintaining fiscal responsibility regardless of the amendment outcome.

The Tennessee Department of Education's amendment petition scoring rubric lays out the characteristics of a strong amendment petition, and it is on these characteristics that this recommendation is based.

1. Alignment of proposed amendment with the school's mission and goals.

The mission of Invictus Nashville "[I]n partnership with families, Invictus Nashville will prepare our K-8 students to become engaged members of society by helping them identify their unique path to personal and professional success. Through a diverse culture, personalized learning that fosters high academic achievement, and community service, Invictus Nashville graduates will be equipped with the necessary habits of success and a heart for service in their communities." The amendment to add second grade to Invictus Nashville's opening year directly supports the school's mission of providing a high-quality Montessori education that fosters independence, collaboration, and a love of learning. By introducing second grade earlier, the school can implement mixed-age

classrooms sooner, a cornerstone of Montessori pedagogy. This benefits students by allowing younger learners to observe and learn from older peers, and it provides older students with opportunities to reinforce their understanding by teaching concepts to younger classmates. This creates a more natural, collaborative learning environment that reflects real-world social dynamics and encourages a strong sense of community and independence in students of all ages. Furthermore, the earlier implementation of mixed-age classrooms allows teachers to gain experience with this structure and develop the necessary planning skills for multi-grade settings more quickly. This ensures that the school can provide a consistent and effective Montessori experience for all students as it grows. Overall, the amendment strengthens Invictus Nashville's ability to deliver on its mission and provide a rich, developmentally appropriate learning environment for its students.

2. Academic results provide compelling support for the proposed amendment.

The school has not yet opened and as a result does not have academic results. However, the impact on the academic model and program was considered as a part of this amendment. The proposed amendment to add a second grade to Invictus Nashville's opening year strongly supports the academic goals of the school and is compelling for several reasons. Firstly, it aligns with the school's mission to provide a high-quality Montessori education that fosters independence, collaboration, and a love of learning. This is evidenced by the school's emphasis on mixed-age classrooms, which promote peer learning and leadership skills among students. The addition of second grade also allows for the immediate implementation of mixed-age classrooms. This is beneficial for students as it allows younger learners to observe and learn from older peers, while older students can reinforce their understanding by teaching concepts to younger classmates. This creates a collaborative learning environment that fosters a strong sense of community and independence. This allows teachers to start developing their understanding of the sequencing that happens with mixed-grade classes.

Another benefit to the academic model is that the earlier implementation of mixed-age classrooms allows teachers to gain experience with this structure and develop the necessary planning skills for multi-grade settings more quickly. This ensures that the school can provide a consistent and effective Montessori experience for all students as it grows and adds grade levels. Moreover, it aligns with the school's original vision for mixed-age classrooms, as stated in the amendment application. Overall, the amendment strengthens Invictus Nashville's ability to deliver on its mission and provide a rich, developmentally appropriate learning environment for its students.

3. Realistic and detailed budget that explains the financial impact of the proposed amendment and clear evidence that the financial outlook of the school supports the costs associated with the proposed amendment.

Invictus Nashville provided an updated financial projection for the next five fiscal years, assuming approval of the amendment. The school projects that it will maintain positive ending fund balance on an annual basis. The school has secured significant funding since approval, including a \$100,000 grant from The Louis Calder Foundation and support from Tennessee's State Collaborative on Reforming Education ("SCORE") for teacher training and CityFund. The five-year budget projections show a positive cash flow, with a surplus expected in each year of operation. Finally, the five-year budget includes healthy margins, with surpluses projected annually. These margins provide a buffer against unexpected expenses and fluctuations in enrollment, ensuring the school's financial stability.

The school is actively seeking a permanent facility and is in late-stage negotiations for a prospective site. The school has received an official bid outlining the costs of renovations, and the proposed facility includes expansion rights on the property. This approach to facility planning ensures that Invictus Nashville can provide a stable and conducive learning environment for its students while maintaining financial sustainability. During the May 2024 governing board meeting, the board members discussed the budget and expressed initial concerns related to the

school's financial position. The governing board also questioned the allocation of funds. To address these concerns, the board requested a new budget with significant reductions or additional revenue sources. An updated budget was provided as a part of the amendment review, and it was noted that the budget projections include contributions and gifts, some of which have not yet been secured. Should named sources such as NewSchools Venture Fund, Charter School Growth Fund, and board fundraising not materialize at the projected amount, the school will need to immediately implement the contingency plans outlined within the amendment application to ensure continued financial sustainability and solvency. The financial contingency plans should enrollment not materialize, or revenue shortfalls persist, will adjust staffing by reducing or restructuring positions, and control operational expenses by limiting purchases and expenditures. Overall, the amendment to add second grade supports Invictus Nashville's financial health by enabling efficient use of resources and proactive facility planning, however continuous financial monitoring will be critical to ensure the school's long term financial stability.

4. Thoughtful and realistic facility plans that accommodate the proposed amendment.

Invictus Nashville has demonstrated a commitment to identifying a facility to serve the students in the Hermitage/Donelson community of Davidson County and is currently in the late-stage negotiations for a prospective site. The goal is to have the letter of intent ("LOI") signed in the coming weeks, and the lease finalized before the winter break. The school has received a quote for the necessary renovations and identified potential funding sources to cover the associated costs. Once the LOI is signed, the general contractor and architects will promptly initiate the permitting process to ensure submissions are completed before the holiday season. Renovations are set to begin by February 1, 2025, or sooner if permits and drawings are approved earlier. The space that has been identified is suitable to house the grade levels included in the amendment and the scaling grade bands for at least three years with expansion rights on the property for future consideration.

To ensure operational continuity, the school is diligently pursuing alternative facility options while finalizing the lease at its preferred location. Invictus Nashville has identified a potential alternative site that is available and that has sufficient long-term capacity; however, this remains the alternative option due to high renovation costs and potential complexities with sprinkler systems and storm shelter requirements. This strategic foresight guarantees a strong contingency plan, enabling a seamless transition should unforeseen challenges arise with the preferred facility.

The facility plan includes provisions for transportation, with the site remaining within the target area and transportation continuing to be provided for students residing within Davidson County. The school has also evaluated associated costs and projected debt service to ensure cost-effective and sustainable facility options and is working to keep facility costs at or below 18% of their overall revenue to ensure financial stability.

5. Detailed implementation plan with a realistic timeline that addresses the operational impact of the proposed amendment.

Adding second grade to Invictus Nashville's opening year has several operational impacts, and the school is currently planning for the necessary adjustments. Regarding facilities, the school will need to add an extra classroom which is factored into the construction plan for Years 1 and 2, eliminating the need for major adjustments to the construction model. Staffing needs will increase slightly, requiring one additional lead guide and one assistant guide. The cost of the additional personnel is incorporated in the budget, and no adjustments are needed to the recruitment plan and timeline because of adding the second grade.

From an enrollment standpoint, adding second grade allows for immediate implementation of mixed-age classrooms for lower elementary (first and second grade). This is a core strength of Montessori education, allowing younger students to learn from older peers and fostering leadership skills in the older students. The revised enrollment model focuses on kindergarten as a key entry point with a larger class size than first or second grade,

which will support growth in the upper grades as the school expands. Transportation will continue to be provided for students residing within Davidson County, as the new facility remains within the target area. The school has demonstrated through the amendment process that they are well positioned to manage the operational impacts of adding second grade as demonstrated by the comprehensive evaluation of the operational impacts.

6. Clear evidence of support for the proposed amendment from parents, staff, and community partners.

The amendment petition for Invictus Nashville demonstrates evidence of support from parents, staff, and community partners. As of November 7, 2024, the school has received ten applications and thirty intent-to-enroll forms for second grade. For kindergarten through first grade, the school has received thirty-seven applications for kindergarten and ten for first grade, along with thirty-two intent-to-enroll forms for kindergarten and forty-one for first grade. These figures indicate a strong interest in the school's program and suggest that the school is likely to reach its enrollment targets. The school plans to continue engaging the community through various channels, including phone calls, newsletters, and meetings. The school is committed to addressing any concerns raised by the community and maintaining open communication throughout the amendment process. Notably, there has been no significant opposition to the amendment, as it aligns with the original grade bands proposed in the school's charter application.

Recommendation

Throughout the Commission staff's review of the record of Invictus Nashville's amendment application, staff focused on the characteristics of a strong response as defined by the Tennessee Department of Education's amendment petition rubric. Through working with the operator throughout the extensive facility search and based on the materials reviewed, I fully acknowledge the significant effort and work done by the operator to identify a suitable facility while also ensuring that community support is maintained to meet enrollment targets.

Commission staff presented the amendment petition to the School Performance and Accountability Committee on December 2, 2024. The School Performance and Accountability Committee engaged in a robust conversation regarding the Invictus Nashville amendment petition. The Committee acknowledged that the school's desire to serve students in the second grade strengthens the academic model due to the benefits of implementing mixed-age classrooms, a core element of Montessori pedagogy. This amendment allows for immediate implementation of this model, fostering leadership skills in older students and providing younger students with valuable learning opportunities from their peers. While Invictus Nashville is in the final stages of securing its preferred facility, the Committee emphasized the need for strong contingency plans, including identifying an alternative site with sufficient long-term capacity, to ensure that the school can open successfully in the fall of 2025. While the school has demonstrated progress in securing a facility, it must continue to move forward expeditiously with the lease negotiation and renovation process to meet deadlines and ensure a timely opening. Additionally, the Committee recognized the school's efforts in securing funding, while also emphasizing the need for continuous budget monitoring and prudent financial management to address any potential shortfalls. Overall, the Committee found that the addition of the second grade supports the school's financial health and aligns with demonstrated community demand.

Commission staff recommends approval of the amendment petition by the Commission. Upon Commission approval of the amendment petition, the charter agreement will be amended to permit the school to open in the 2025-26 school year serving students in grades kindergarten through second.



Tess J. Stovall

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Tennessee Public Charter School Commission

December 2, 2024
Date