



## **Executive Director's Findings and Recommendation**

### **Charter School Renewal Application for Cornerstone Prep Denver**

**January 24, 2025**

Pursuant to Tennessee Code Annotated ("T.C.A.") § 49-13-121, Commission Policy 3.600<sup>1</sup>, and charter renewal guidance issued by the Tennessee Public Charter School Commission ("Commission") and the Department of Education, the authorizer shall provide a school with the opportunity to make a clear and compelling case for renewal. As part of Commission Policy 3.600, following the public hearing and the review of the renewal application, the Executive Director of the Commission shall provide a final recommendation to the Commission. The Executive Director shall consider the report of the Renewal Review Committee, the site visit and the public hearing, as well as the performance of the charter school over the length of the expiring charter term in the final recommendation to the Commission.

Based on a review of the cumulative performance of the school, the additional information gathered by the Commission staff through the renewal process including a site visit, the Review Committee Report, and the public hearing, I recommend Cornerstone Prep Denver for a new, ten-year charter term.

#### **STANDARD OF REVIEW**

Pursuant to Commission Policy 3.600, the Commission staff completed an application review process. The Commission assembled a renewal application review committee comprised of highly qualified internal and external evaluators with relevant and diverse expertise to evaluate each application. The Commission provided training to all review committee members to ensure consistent standards and fair treatment of all applications.

The Commission's charter renewal application review committee utilized the Commission's Charter Renewal Application Rubric<sup>2</sup>, which is used by the Commission when evaluating an application for renewal. In alignment with the State Board of Education's Quality Authorizing Standards in Policy 6.111, the authorizer "[e]stablishes and clearly communicates a renewal policy which requires the thorough analysis of a school's comprehensive body of objective evidence defined by the performance framework and is consistent with the charter agreement and state law, including any policy changes thereto." In addition, the Commission is required to hold a public hearing in the district where the charter school is located and conduct a renewal site visit in the school's tenth year of its charter agreement.

The Commission has the ability to approve the charter school's renewal application, with authorization to continue under the Commission for a new ten-year charter term, or deny the application. If denied, the school would close at the end of the academic year.

#### **PROCEDURAL HISTORY**

1. Cornerstone Prep Denver ("CPD," "school," or "operator") opened in the 2015-16 school year by the charter management organization and network of Capstone Education Group ("CEG" or "network"). The school was authorized by the Achievement School District ("ASD"). CPD transitioned to the Commission in 2022 and serves 600 students in the 2024-25 school year.

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<sup>1</sup> All Commission rules and policies may be found on the Commission's [website](#).

<sup>2</sup> This rubric was updated in March 2024 by the Commission.

2. On December 27, 2023, the Commission provided the operator a cumulative performance report outlining the school's performance over the last ten years in alignment with the Commission's renewal criteria.
3. The school submitted a renewal application to the Commission on March 29, 2024.
4. The Commission's Review Committee independently analyzed and scored the CPD application using the Commission's Charter Renewal Application Scoring Rubric.
5. On June 21, 2024, the Commission conducted a capacity interview with the operator to address questions that arose from the review of the renewal application.
6. The Commission's Review Committee determined strengths and areas of question or concern of the CPD renewal application, which served as the basis for the Review Committee Report attached hereto as **Exhibit A**.
7. On October 1, 2024, the Commission completed a full day site visit to CPD to interview stakeholders, discuss the Review Committee Report with school leadership, and to observe classes.
8. Commission staff determined strengths and addressed challenges and concerns during the site visit to CPD and outlined within the Renewal Site Visit Report attached hereto as **Exhibit B**.
9. The Executive Director of the Commission reviewed the record including the Review Committee Report and the Site Visit Report to write a preliminary recommendation for CPD and outlined whether or not the school is on track to be renewed or nonrenewed. This report was shared with the operator a week prior to the public hearing.
10. Commission staff held a public hearing at CPD in Memphis, Tennessee on November 13, 2024. At the public hearing, the Executive Director, sitting as the Commission's designee, heard the school address the preliminary Executive Director's recommendation and heard public comment.
11. After the public hearing, the Executive Director completed a final Executive Director's Recommendation Report.

#### **Commission's Review Committee's Evaluation of the Application**

Commission staff assembled a diverse review committee of internal and external experts to independently evaluate and score the CPD renewal application. This review committee consisted of the following individuals:

<b>Name</b>	<b>Title</b>
Michelle Doane	External Reviewer
Rebecca Ledebuhr	Commission Staff
Maggie Lund	Commission Staff

The Review Committee conducted a review of the CPD renewal application in alignment with the Commission's Renewal Application Scoring Rubric and held a capacity interview. The strengths and weaknesses of the renewal application are outlined in **Exhibit A**. The Review Committee also conducted a site visit to the school to evaluate the effectiveness of the school in alignment with the Commission's School Performance Framework, the renewal criteria, and the challenges and concerns outlined within the Review Committee Report. The full Site Visit Report is provided as **Exhibit B**. The following is a summary of the Review Committee Report and Site Visit Report:

CEG acquired Denver Elementary, originally categorized among the lowest-performing schools in Tennessee, in the 2015-16 school year. CEG has worked to transform CPD and has made significant strides in academic

achievement, particularly in mathematics. Recent data indicates that the school has consistently outperformed local district averages, showcasing a commitment to fostering student growth and engagement. CPD operates as a community school, serves the Frayser neighborhood of Memphis, and has maintained stable enrollment throughout its charter term. A key strength of CPD lies in its data-driven approach to education. The network and school leadership emphasize tracking student performance through multiple internal measures, including nationally-normed assessments like NWEA MAP, to help gauge preparedness for external measures such as TNReady. The network offers robust professional development for teachers and leaders with this data-driven approach, which has led to high engagement levels among students who actively participate in lessons and demonstrate a vested interest in their learning. Many teachers and leaders have been with the school for upwards of seven years, offering consistency in teaching practice. The school culture at CPD is warm and stakeholders often describe the school environment as resembling a family structure. Despite these positive outcomes, CPD faces challenges addressing chronic absenteeism. Although recent initiatives have aimed to reduce absenteeism rates, the current figures indicate that many students still face barriers to consistent attendance. The school is actively working on new processes and partnerships to combat this issue, including new data monitoring measures and increased parental engagement. Additionally, while math performance is a strength, ELA lags behind in terms of proficiency, particularly for students with disabilities. The school has made shifts to the ELA curriculum and intervention practices to help address this, as well as restructuring oversight of special populations of students.

CPD is operationally sound. With a recent principal transition, the network was strategic in its decision-making by moving a new leader into the role who has a long tenure at the school, while providing additional support to that individual. The CEG network devotes resources to grow its teachers and leaders from within, which in turn improves staff retention. The school has cultivated a positive environment characterized by high expectations and a sense of community, where both students and parents feel valued and heard. The governing board, composed of well-informed members with diverse backgrounds, plays a crucial role in strategic planning and oversight. However, given the tenure of the network leadership and board, the need for succession planning for key roles is as an area for future attention to ensure that the school and network can maintain operational stability. The CEG network has engaged with Memphis-Shelby County Schools ("MSCS") in negotiations to acquire the current CPD facility. The network is undergoing facility acquisitions and expansions across all CEG schools, which could pose strain on network resources and finances. The network has proactively outlined contingency plans for the CPD facility should they be unable to reach an agreement with MSCS.

Financially, CPD is well-positioned, consistently maintaining balanced budgets and clean audits over the past nine years. The network's substantial cash reserves provide a strong foundation for their upcoming facility acquisitions, and subsequent contingency plans should they be needed. While some schools within the CEG network have faced enrollment fluctuations, CPD's robust enrollment numbers ensure financial stability for the school. The Commission will continue to monitor the network's financial statements to ensure long-term financial and operational stability, particularly given the large impending facility acquisition costs. Looking to the future, CPD's renewal application articulates clear and attainable goals that are strategically aligned with its academic, operational, and financial plans. The organization does not anticipate pursuing further school expansion at this time, and instead will concentrate on enhancing academic outcomes and maintaining enrollment at its existing schools.

For additional information regarding the Review Committee's evaluation of the CPD application, please see **Exhibit A** for the complete Review Committee Report, and for additional information regarding the renewal site visit and subsequent findings, please see **Exhibit B** for the complete Renewal Site Visit Report. Both reports are fully incorporated herein by reference.

### **Public Hearing**

Pursuant to Commission Policy 3.600, a public hearing chaired by the Executive Director was held on November 13, 2024. In the opening statement, the operator spoke about how the network aims to provide solutions to the city's lack of high-quality neighborhood schools. Cornerstone Prep Denver is a neighborhood school that serves roughly 600 students. CPD started as an acquisition of Denver Elementary, a school in the bottom 5% of schools in the state. Over the last ten years, the school has grown into a thriving community with some of the highest academic proficiency in the area. Additionally, parent surveys indicate that more than 90% of families would recommend this school to their friends. The operator explained that five of the last six years have had TVAAS composite scores of Level 5, and the school has previously set records within the ASD for math achievement. School leadership are currently making shifts to ELA programming through the systems and processes outlined in the network's blueprint to ensure continuous improvement. The operator concluded by reiterating the impact of the school on the community, noting that it is the largest elementary school in the area, and the school wants to continue its trajectory of success by providing students that attend CPD the opportunity to achieve more than 1.5 years of academic growth every year.

During questioning from the Executive Director, the school leader spoke to the strong math performance and shifts made to ensure ELA performance improves at the same rate as math. The operator has hired additional interventionists for ELA and leaders are working on specific coaching for teachers to ensure they are aligned with the TNReady assessment. To ensure alignment across the school, the leadership team also completes weekly walkthroughs to support teachers and ensure that proper instruction is being delivered. Additionally, the operator is actively working to combat chronic absenteeism by having incentives to encourage daily attendance and consistently communicating with parents regarding absences. The Executive Director then questioned the organizational succession plans and the operator spoke to how the network prioritizes growing leaders from within, giving specific examples of network leaders who started as teachers or deans of instruction. There is also programming at the network level to allow for teacher development and provide teachers opportunities to improve their practice and leadership skills. The Executive Director then asked questions about the numerous facilities acquisitions the network is facing. The operator explained that upon a renewal decision, the network will approach MSCS about the acquisition of the CPD facility. However, the network is also currently in negotiations with MSCS for the Lester Prep/Cornerstone Prep Lester facility and expect to have a decision in January 2025. Ultimately, should the network be unable to come to favorable terms with MSCS, the network is working through contingency plans such as purchasing or building another property in the neighborhood. The operator then elaborated on the financial standing of the network given these upcoming facility costs, explaining that the operator can pay cash for the Lester Prep/CPL campuses and CPD campus. For the CPS campus, the network will most likely remain in the current location and add modulars, which are less expensive, while fielding other potential locations' facility costs. The best-case scenario for the network is to purchase all three sites in cash within the next few years, though the network has also explored financing options, should it be needed. Ultimately the facility acquisitions will not affect the operating budget, and the network has also projected budgets conservatively including leasing options until the MSCS decisions are made.

The public hearing concluded with a closing statement from CPD's Executive Director and the receipt of seven in-person comments speaking in support of the CPD renewal. The Commission also accepted written comments, and the Commission received nineteen written comments in support of renewal for CPD.

### **ANALYSIS**

Under T.C.A. § 49-13-121 and Commission Policy 3.600, the Commission is charged with determining if a charter school currently operating under the Commission will continue its authorization under the Commission for another ten-year charter term. In making my recommendation to the Commission, I will consider the Review

Committee Report, the Renewal Site Visit Report, the discussion at the public hearing, and the public comments received by Commission staff. My recommendation also considers the performance of the charter school over the length of the expiring charter term.

CPD was founded in 2015 when CEG acquired Denver Elementary, a school that was performing in the bottom 5% of all schools in the state. School turnaround work is challenging, and progress is often not linear, but the CEG network has demonstrated a commitment to the community, which has been historically underserved. Given the data-driven culture of the school and network, the organization has been flexible and responsive to student needs through frequent student academic data analysis. The college-preparatory model at CPD emphasizes high expectations for students coupled with robust student support. The daily schedule includes a dedicated hour for “Learning Lab” or intervention and “Walk to Read” time for younger grades focused on foundational literacy and ELA support.

The school has particularly excelled in math instruction for students with success rates that outperform the resident district of MSCS by an almost ten-point margin. Part of this exceptional math performance is due to the longevity of the teaching staff and leadership team in math and their ability to continuously build upon their practice. While ELA instruction has not garnered the same level of results, the network and school team outlined a clear focus on foundational literacy and implemented key shifts to curriculum to be responsive to data at the site visit. The Review Committee also engaged in questioning surrounding support for students with disabilities at the site visit given the proficiency scores have been historically low. The leadership team spoke of structural shifts being made to better support instruction and support for special populations of students. The school has demonstrated success in TVAAS with the majority of composite scores being Level 5 over the last eight years. Given that CPD has robust data tracking practices and has demonstrated an ability to be responsive to the data, I am confident that they will continue this trajectory of academic success and will continue to provide support for students.

Operationally, CPD is governed by a long-standing board with diverse experience. The network leadership team at CEG also has long tenure, and many leaders have grown from within the organization. CPD recently transitioned its long-standing principal to the network and promoted a new principal from within. This principal has received support from the previous principal and network, which has allowed for a smooth transition. I appreciate the board's engagement in strategic planning for the organization. The network has numerous facility acquisitions upcoming for all schools within the portfolio. While the network begun negotiations with the local district to purchase or lease the CPD facility, there are also contingency plans to acquire a new facility should the network be unable to reach an agreement with MSCS. The network is operationally strong, and in strong financial position, which aids in its ability to take on these upcoming facility expenses. The network has demonstrated the ability to remain in compliance with district, state, and federal requirements and has been a good partner with the Commission. I believe that CPD will continue on a trajectory of operational success in future years.

Additionally, CPD is in good financial standing. The network has healthy cash reserves and utilizes sound financial practices. As aforementioned, the network has multiple facility acquisitions forthcoming which will have the potential of affecting the financial standing of the organization. Through the questioning conducted by the Review Committee at the capacity interview, site visit, and public hearing, it is clear that the board and CEG leadership are preparing for these facility acquisitions and have contingency plans in place should they be unable to come to a mutual agreement with MSCS. CPD also has had consistent enrollment during its tenure, operating at full capacity. In recent years, the school has not needed to make adjustments to its budget due to enrollment fluctuations, which provides financial stability for the school. Given the cash reserves and budgeting practices of the network, the stable enrollment at the school, and the outlined facility plan, I feel confident that CPD will continue to be financially strong.

Finally, the CEG network has outlined clear future academic goals, in alignment with the network blueprint, to ensure future success for CPD. While the network no longer has the opportunity to expand through the ASD as once discussed, leadership states that they do not intend to expand in the near future and instead will focus on improving outcomes in the schools they have. I find this commendable and believe that the CEG network will continue to be successful and operate with a strong partnership with the Commission in future years. Through my analysis of the totality of the evidence presented from the Review Committee's in-depth review of the school's performance over time, CPD has demonstrated a commitment to the community and students it serves. The operator has demonstrated the ability to strategically plan and respond to challenges as they arise. I have confidence that CPD will continue a trajectory of success and continue to navigate challenges effectively.

### **CONCLUSION**

For these reasons, and for the reasons stated in the Review Committee Report attached hereto as **Exhibit A** and the Renewal Site Visit Report attached hereto as **Exhibit B**, I believe that the performance of the school warrants a new ten-year term. Therefore, I am recommending Cornertone Prep Denver for renewal.



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Tess Stovall, Executive Director  
Tennessee Public Charter School Commission

1/24/2025

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Date