



Executive Director's Findings and Recommendation
Charter School Renewal Application for Promise Academy Spring Hill
January 26, 2024

Pursuant to Tennessee Code Annotated (T.C.A.) § 49-13-121, Commission Policy 3.600, 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 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 believe that Promise Academy Spring Hill should be renewed for a new, ten-year charter term.

STANDARD OF REVIEW

Pursuant to Commission Policy 3.600, the Commission's 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 renewal application review committee utilized the Commission's Charter Renewal Application Rubric, 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. Promise Academy Spring Hill (PASH) was opened in SY13-14 and was authorized by the Achievement School District (ASD).
2. PASH earned priority exit status on the state's accountability system in 2022, and the school was approved to transition to the Commission for SY23-24. PASH serves 348 students in SY23-24.

3. On February 9, 2023, the Commission provided the operator a cumulative performance report outlining the school's performance over the last ten years in alignment with the specified renewal criteria¹.
4. The school submitted a renewal application to the Commission on April 3, 2023.
5. The Commission's review committee independently analyzed and scored the PASH application using the Commission's Renewal Application Scoring Rubric.
6. On June 27, 2023, the Commission conducted a capacity interview with the applicant to address questions that arose from the review of the renewal application.
7. The Commission's review committee determined strengths and weaknesses within the PASH renewal application, which served as the basis for the review committee report attached hereto as **Exhibit A**.
8. On September 19, 2023, the Commission completed a full day site visit to PASH to interview stakeholders, discuss the Review Committee Report with school leadership, and to observe classes.
9. During the site visit to PASH, Commission staff determined strengths and addressed challenges and concerns. These strengths, questions, and concerns are outlined within the Renewal Site Visit Report attached hereto as **Exhibit B**.
10. The Executive Director of the Commission reviewed the record including the Review Committee Report and the Renewal Site Visit Report to and determined whether PASH is on track or off track for a renewal recommendation. The preliminary recommendation report was provided to the applicant on October 27, 2023, ahead of the public hearing and noted Promise Academy Spring Hill was on track for a renewal recommendation, pending the receipt of the school's FY22 financial audit.
11. On November 8, 2023, the Commission staff held a public hearing at Promise Academy Spring Hill in Memphis, Tennessee. 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.
12. After the public hearing, receipt of public comment, and receipt of the FY22 financial audit, the Executive Director completed a final Executive Director 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 PASH renewal application. This review committee consisted of the following individuals:

Name	Title
Trent Carlson	Commission Staff, Authorizing Coordinator
Michelle Doane	External Reviewer
Maggie Lund	Commission Staff, Deputy Director of Authorizing

The review committee conducted a review of the PASH 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

¹ Promise Academy Spring Hill was authorized by the Commission on January 27, 2023. Therefore, the Commission was not required to comply with T.C.A. § 49-13-121(c) requirement of a January 1 submission date for the cumulative performance report. As explained and understood by all parties, the Commission provided the cumulative performance report as soon as practicable after authorization.

renewal criteria, and the challenges and concerns outlined within the review committee report. A full site visit report is provided as **Exhibit B**. The following is a summary of the review committee and site visit reports:

PASH demonstrated strengths academically, operationally, and financially. Upon taking over Spring Hill Elementary as part of the ASD, Promise Academy improved the school from being in the bottom five percent of schools in the state to one of the top schools in the ASD, ultimately earning priority exit following SY21-22. The long tenures of the school leadership, many of whom have been with the organization for ten years, are a clear strength of PASH. The Promise Academy network recently restructured the organization, moving some of the long-standing school leaders to network-level positions to better support the school for academic and operational success. While transition is often difficult, during the site visit teachers reported being appreciative of increased support and coaching from the leadership team and network. The school also has demonstrated strong teacher retention throughout the network's organizational changes, with 86% of teachers remaining between SY22-23 and SY23-24. Network staff conduct monthly walkthroughs, which ensures consistent alignment across both schools and informs professional development. The operational stability of the network is also a strength as the restructuring has resulted in a more sustainable budget that is reliant on student-driven funds, and the school projects a positive net income in future years. Additionally, the board has a financial committee that is inclusive of individuals with strong financial acumen, and the school has contracted with a new back-office provider for further support.

The school's academic performance is somewhat mixed over its tenure with fluctuating TVAAS composite scores. However, most recently in SY22-23, the school earned a TVAAS Level 3 and demonstrated notable gains in math proficiency. Due to losing some staff, reading proficiency dropped for SY22-23, and the leadership team performed a root cause analysis regarding alignment between the percentage of students meeting their growth goals internally and students performing on grade level. The school has worked to better align its academic plan and assessments and focus both on student growth and gaps in grade level equivalency. As a result, PASH has adopted a new small-group intervention system and a new ELA curriculum. Finally, family engagement and a positive school community are clear strengths of PASH. The review committee observed calm and productive classrooms, and student engagement was high across the classrooms observed. Teachers held students to high expectations for participation and behavior, and there was evidence of strong teacher preparation and planning for lessons, scaffolded questions, and differentiated instruction. The school also utilizes many external partners to support students and families, and families are highly involved with the school. Families interviewed cited overall satisfaction with the school and reported open lines of communication with the school and high parent involvement. Staff, students, and leaders all reported that the school has a strong culture built on trust.

The review committee identified some areas of concern as a result of their review of the PASH application. The application lacked detail surrounding the services to special populations, particularly students with disabilities and English Learner (EL) students, in addition to limited information regarding the RTI² program. Additionally, given the recent organizational changes, the review committee had outstanding questions regarding the impact on professional development plans and staff evaluations. Chronic absenteeism was another concern of the review committee, as like many schools, PASH is experiencing higher chronic absenteeism rates post-pandemic. Finally, the review committee looked to address the mixed academic performance of the school over its tenure. Ultimately, the review committee wanted to learn more about how the school and network have responded to and will continue to respond to academic data such that academic outcomes are continuously improving.

During the site visit these items were addressed, and teachers and staff cited satisfaction with the organizational shifts and the subsequent adjustments to professional development. Regarding the services for special populations, PASH provides appropriate services to support special populations in all areas. While PASH has struggled to meet special education timeline compliance so far in SY23-24, the school faced hurdles outside of its control

including the impacts of transiting to TN Pulse and moving to a new school district. However, PASH provided sufficient evidence that there was no disruption to required services to students, and the paperwork audit performed at the site visit required minimal corrections. While PASH has a focus on RTI² and differentiated instruction, it was unclear to the review committee the fidelity with which small groups were happening for Tier 1 students, as the review committee was unable to observe small group instruction in the general classroom setting. Coupled with feedback from teachers about needing better professional development and modeling for small group time, this should be a continued area of focus for the school. The chronic absenteeism rate for PASH was 16% in SY21-22 and increased to 20% in SY22-23. The school has implemented an attendance plan where frequent communication is issued to parents, including attendance meetings and monthly parent meetings. The network has also adopted an attendance tracker to ensure better tracking and communication with families surrounding chronic absenteeism.

As a result of scheduled interviews at the site visit, concerns were raised regarding the governing board. While the board chair was unavailable for an interview during the scheduled site visit, the review committee interviewed two other board members. Both board members cited being unaware of a formal board committee structure. Additionally, there was not a clear or aligned plan on how the Executive Director is held accountable by the board, nor was there a plan to measure the effectiveness of the board itself. Finally, it remains unclear if there is a parent representative on the board. While this does not necessarily indicate that the board is not capable of continuous and effective oversight of the organization, the review committee recommends solidifying some of the practices to ensure that the board is aligned and has proper governing and oversight procedures moving forward.

Finally, the review committee concluded that the financial performance and health of the network is a strength because despite delays in reimbursements from their previous authorizer, which had an adverse impact on cash balances. As a result of the organizational restructuring, the network is projecting positive net income for future years resulting in improvements to the school's overall long-term financial sustainability. At the time the review committee concluded its review of the application, the FY2022 audit was outstanding.

For additional information regarding the review committee's evaluation of the PASH 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 8, 2023. The Executive Director of PASH opened by describing the vision of the school, which is to be the model of excellence and innovation in education. The vision is coupled with the mission to educate, develop, and nurture the mind, body, and spirit of children so that they emerge as lifelong and world-ready learners. The Executive Director continued by presenting the ten core values of the school and introduced the staff, highlighting their longevity and tenure at the organization. The Executive Director mentioned that despite having recently restructured the organization, the network has maintained consistent leadership, providing evidence through an organizational chart that was displayed. The Executive Director also spoke to the robust family engagement at the school, as over 600 families attended their recent state of the network address. Additionally, a parent group was formed to advise the Executive Director about the parent experience at the school. Information regarding enrollment by grade level, staffing, student attrition, discipline data, and student demographics was also provided. The Executive Director then spoke to the school's revised academic goals based on the school improvement plan. He stated that while they accept the reality and impact of the COVID-19 pandemic, it is not an excuse for academic performance. The school has adopted goals of 30% proficiency across subject areas, as these rates are now around 25%. The leaders at PASH stated they believe they can exceed these academic goals within the next three consecutive years.



The Commission then questioned the school leadership, starting with a question surrounding the mixed academic results of the school over time. The leadership team spoke about how the organizational restructuring allows for better support for teachers, along with specific curriculum changes for a stronger impact on academic performance. Additionally, the leadership team described their focus on data-driven instruction, which empowers teachers to better target instruction and align support for students. The school then addressed its plan to combat chronic absenteeism, since the school's rates increased year over year, by outlining the plan to have guidance counselors collaborate with parents to ensure students are attending school and eliminate barriers such as transportation. To ensure stable enrollment, the leadership team is also focusing more heavily on registration packets, phone calls to families and parents, and being intentional about the school's intent to return process.

The Commission then questioned the school regarding the long-term financial health of the organization, particularly in light of its recent organizational restructuring. The school leadership stated that, while they have generous financial supporters, they have cut positions at the top of the organization to ensure they can rely more heavily on their per-pupil funding. They are also working with a new back-office provider to become more efficient with bookkeeping. As a network, they continuously adjust their budget to ensure that the appropriate funds are earmarked for closing academic gaps and fulfilling the vision of the schools, while also adjusting for unanticipated items that may come up. The long-term operational goals are to trend toward sustainability where the top tier leadership stays in place for 3+ years and competitive teacher salaries incentivize teacher retention. Promise Academy has also worked to recruit four new board members this year through their partnership with New Memphis, and they aim to onboard two new board members within the school year.

The school explained that they have begun the process of acquiring its current facility from Memphis-Shelby County Schools (MSCS). The network has conducted appraisals for the building and intends to create a facility acquisition committee to present a compelling argument for fair acquisition of the building, considering the almost \$2 million in improvements already made to the facility. The Executive Director has created a timeline of events for purchasing the building and plans to present their facility acquisition plan to the MSCS board in the Spring of 2024. If a purchase agreement is not made by the Summer of 2024, then the school will aim to continue leasing the building from MSCS. Finally, the school addressed the significant delay in their FY22 audit, stating that their auditing firm had encountered capacity challenges, but they were currently working on finalizing the audit. The Executive Director mentioned that the organization has had historically clean audits and has begun reaching out to new auditors for future cycles.

The public hearing concluded with a closing statement from school leadership, who thanked community members and reiterated their commitment to serving their community, and the receipt of eight in-person comments in favor of the renewal of PASH. The Commission also accepted written comments and received one in support of the renewal of PASH.

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 final recommendation to the Commission, I considered the review committee's report, the Renewal Site Visit Report, the discussion at the public hearing, and the public comments received by Commission staff.

The Promise Academy network took over Spring Hill Elementary in SY13-14 as part of the ASD and has worked diligently over the last ten years to improve the academic, operational, and financial performance of the school. While school turnaround work is not straightforward, the Promise Academy network has demonstrated a commitment to



responding to academic data to address underperformance. The academic performance of PASH has been mixed over time with TVAAS scores fluctuating between composites of ones and fives and mixed academic proficiency scores. However, in SY21-22, PASH saw significant improvements in both student growth and student achievement, going from a TVAAS Level 1 to a TVAAS Level 5 and more than doubling the school-wide achievement rate in both ELA and math. This data earned PASH priority exit status on the state's accountability system, and the approval to join the Commission in 2023. PASH earned a TVAAS Level 3 for SY22-23, with a TVAAS Math score of a 5; due to losing some critical staff, reading proficiency dropped in SY22-23. The school earned a C letter grade for SY22-23 on the state's new accountability system.

The leadership team has performed robust root cause analyses of the data and has made changes to academic instruction including the adoption of a new ELA curriculum, better internal assessment data tracking, and the implementation of new small group instruction. While school turnaround performance is often mixed over time, the Promise Academy network has demonstrated an ability, particularly in recent years, to continuously improve and address academic deficits to better serve students. It will be important that these turnaround efforts continue to produce improved academic performance for students.

Another commendable shift made in recent years to improve school performance was the recent organizational restructuring, adopted in SY23-24. This restructuring included major shifts to staffing, moving some school-level leadership into network-level positions, rethinking network support for schools, and providing more robust teacher coaching and support. Many of the staff in leadership positions have been with the school for over ten years, and even through the recent restructuring, PASH was able to retain 86% of teachers for SY23-24. This stability in personnel evidences a strong school culture and a commitment to teacher practice improvement along with opportunities for growth within the organization. Additionally, at the site visit, teachers cited satisfaction with the new coaching and support model and were appreciative of the shifts. The restructure also has organizational and financial benefits including operating with a leaner staffing structure with clearer roles and responsibilities. This staffing shift placed some previous teacher coaches back in classrooms as lead teachers with ground-level coaching opportunities for teachers. This streamlined the staffing model, eliminating some positions that may have been duplicative. Additionally, the restructure placed greater emphasis on relying on student-driven funds for school operations and less reliance on fundraising and grant dollars. Overall, the network's and board's ability to identify and address gaps within the organization, even at a large scale, demonstrates a commitment to being a well-run and financially viable organization that provides positive academic outcomes for students.

While I commend the school for making organizational adjustments to allow for long-term, sustainable spending, I have ongoing concerns regarding the school's long-term financial sustainability. Furthermore, the significant delay in the receipt of the audit for the fiscal year ending June 30, 2022 compounds my concerns. Audited financial statements communicate critical information related to the financial health of an organization. Charter schools should make every effort to ensure that financial statements are promptly made available to their stakeholders and authorizers such that the usefulness of the published data can be depended on for making critical decisions. Continuous delay of financial statements lessens the value of the information contained within the financial statements and puts authorizers in a vulnerable position should there be financial findings or going concern issues that need to be addressed. The Commission received the FY22 audit for PASH on December 22, 2023, close to one (1) year after the statutory deadline. In addition to the significant delay, the FY22 audit confirmed that the school continues to not meet standards for days cash on hand, which is a key near-term indicator as it measures immediate fiscal solvency. The days cash on hand has continued to deteriorate year over year, from 55 days in FY20 to 19 days in FY21, and 3 days in FY22. I recognize that many of the issues with cash flow are a direct result of delays in receiving reimbursement from the ASD, and not a lack of fiscal responsibility or mismanagement by the school. However, the



school will need to critically manage its cash balance and work to ensure long-term financial stability. As of December 31, 2023, the days cash on hand has steadily increased to 59 days, putting the school back on track to meet standards on the Commission’s performance framework. While these concerns are material to the renewal decision, I have concluded that the financial concerns are not such that they warrant a non-recommendation for renewal; however, this will require continuous monitoring by the school and Commission.

Finally, I want to acknowledge that PASH operates as a true community school within the North Memphis community. With a recent event drawing over 600 families, it is clear that PASH has very strong family engagement. Families, staff, and students all referenced the school’s culture of respect and family as a strength during the recent site visit. While the transition from the ASD to the Commission is not without its challenges, the Promise Academy network has navigated these challenges well and has exhibited flexibility in ensuring stronger compliance and continued service to students. PASH has also demonstrated an increase in enrollment for SY23-24 since transitioning to the Commission and maintaining a focus on student recruitment and retention will need to remain a focus for the overall operational success under a new charter team. While the school still has challenges to address such as chronic absenteeism, clarifying some oversight roles and responsibilities, and long-term financial stability, the operator has consistently demonstrated an ability to acknowledge and respond to challenges effectively to ensure proper service to students. The school and network, particularly in recent years, have demonstrated a commitment to improving student academic outcomes and closing the achievement gap. I feel confident that as challenges continue to arise, the operator can effectively respond, and that they will continue to operate as a strong partner with the Commission.

If granted a new, ten-year term, it is important to highlight the significance of the interim review process. The Commission conducts an interim review of its schools in the fifth year of their charter term to evaluate their performance, determine if they are on-track or off-track for a renewal, and identify if any immediate corrective action needs to take place. Given Promise Academy Spring Hill’s transition from the Achievement School District into the Commission during SY23-24, at this point, the school has only been under the authorization of the Commission for one semester of one academic year. While I have determined the school’s performance warrants a renewal, it will be important for the school to continue to stabilize and improve student academic performance in its next charter term. The Commission will plan to use the interim review as a high-stakes process to determine if they should continue for the remainder of a new ten-year charter term.

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 ten-year renewal term. I therefore recommend Promise Academy Spring Hill for renewal.

A handwritten signature in black ink that reads "Tess Stovall". The signature is written in a cursive, flowing style.

Tess Stovall, Executive Director
Tennessee Public Charter School Commission

1/26/2024

Date