



TO: Tennessee Public Charter School Commission

FROM: Tess Stovall, Executive Director

DATE: January 26, 2024

SUBJECT: Rutherford Collegiate Prep Amendment Petition

Background

ReThink Forward, Inc. ("Governing Board") entered into a charter agreement with the Tennessee Public Charter School Commission ("Commission") on April 1, 2022. The agreement allowed the governing board to establish and operate Rutherford Collegiate Prep (RCP or "the school") in Rutherford County serving kindergarten through eighth grade with a maximum enrollment of 770 students. Subsequent to the signing of the charter agreement, Rutherford Collegiate Prep 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 2023-24 school year.¹ The Commission approved an additional year delay in January 2023 for the school to open in 2024-25.

The primary reason for the school's delay in opening until the 2024-25 school year was due to the challenging facility environment within Rutherford County. Since January 2023, the school and its charter management organization, Noble Education Initiative (NEI), identified a suitable property and commenced construction on the new facility. Construction on the facility began in the summer of 2023, and it is located at 4418 Manson Pike, in the Blackman/Stewarts Creek school zone. This specific school zone has experienced overcrowding, and the newly constructed facility will alleviate some of the capacity constraints that schools in the area are currently experiencing. Since the acquisition of land and construction, the operator has received significant community support, and offering 200 additional seats over time would help alleviate the overcrowding within the area. The amendment would increase the maximum enrollment to 965 students in grades kindergarten through eighth grade. The school plans to open with grades kindergarten through sixth grade in school year 2024-2025.

Pursuant to T.C.A. § 49-13-110(d), the governing board of a public charter school may petition the authorizer to amend the charter agreement. Under Commission Rule 1185-01-01-.04, a public charter school may petition for changes in student enrollment which fall outside of the minimum or maximum enrollment thresholds set forth in the charter school's charter agreement. The Commission is responsible for reviewing and scoring the amendment application with the Department of Education's scoring rubric, within sixty (60) calendar days of the due date.² On November 27, 2023, the Commission's Executive Director, as its designee, and the Governing Board came to a mutual agreement to extend the date for ruling on the amendment petition to the Commission's quarterly meeting scheduled for January 26, 2024.

Commission staff independently reviewed the amendment petition, attachments, budgets, and contingency plan submitted by RCP. Commission staff and RCP met multiple times 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 facility construction, and contingency planning. The analysis below is based on materials submitted by the school and the numerous conversations between Commission staff and school representatives.

¹ See T.C.A. 49-13-110(b).

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

Analysis

The Commission strives to be a first-in-class authorizer, and we desire to support the charter schools in our 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. The amendment petition for RCP demonstrates an intentional effort to serve additional students in one of the fastest growing areas of both Rutherford County and the state as a whole. The increase of maximum enrollment creates a clear path forward for the school to be able to provide an educational option for more families in the Blackman/Stewarts Creek school zone, all the while ensuring fiscal solvency and sustainability for the school in the long-term within Rutherford County. The support for the enrollment increase is evidenced by letters of support and by the operator already receiving 826 applications as of January 12, 2024.³ Since the school only has 671 available seats for school year 2024-25, the school has waitlists in four out of seven grade levels.

Upon completion of the facility in August 2024, the school plans to open serving grades K-6 in the 2024-25 school year, and then grow by one grade level each year, until it reaches full capacity serving grades K-8. RCP has diligently navigated facility challenges and demonstrated a commitment to opening in the 2024-25 school year. This amendment petition recognizes the progress that has been made by the operator to open successfully in August 2024 as demonstrated by the clear evidence of community support and demand and facility progress.

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 RCP is "to provide a personalized, engaged, supported, and challenging environment that will strengthen students academically, socially, and emotionally. Students will leave RCP with the skills and mindset necessary to not only face reality but create improvements for the next generation." Since being approved by the Commission, RCP has demonstrated a commitment to opening and serving the students of Rutherford County and has worked diligently to locate a facility or property where they could build a facility that aligns with and enhances the mission. The operator secured the land needed to build a facility and is currently constructing a new facility located in the Blackman/Stewarts Creek school zones, bordering I-840 and near I-24. The overall facility plan includes adequate instructional space and is inclusive of a gym/multi-purpose room. The original floor plan has been adjusted to accommodate the additional students all the while achieving its intended mission set forth in their charter agreement.

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

While RCP has not yet opened and begun serving students, the governing board operates Nashville Collegiate Prep (NCP), a school located in the Southeast region of Nashville, serving kindergarten through seventh grade in school year 2023-24. Both schools will operate utilizing the same academic model and mission; therefore, Commission staff determined that it was relevant to incorporate the academic results of NCP into the recommendation and consideration of RCP's proposed amendment. NCP has experienced mixed academic performance since opening in August 2021 earning a TVAAS Composite Levels 3 and 2 in SY2021-22 and SY2022-23, respectively. However, the school met standards on the comparative performance indicators on the Commission's framework in 2021-22 which compared the school's success rates to those of the resident district, Metro Nashville

³ NEI application count as of January 12, 2024 as provided by operator.

Public Schools. In publicly available SY 2022-23 data, NCP's ELA success rates showed a slight decline (-0.5%) while the school's math success rate increased to 22.1%.

Another bright spot in NCP's academic results is the academic performance of subgroups within the school. In the 2022-23 school year, the subgroup of English Learners, which makes up 35% of the student population at NCP, earned a TVAAS Level 3 for growth. Additionally, NCP earned a TVAAS Level 3 for the Highest Need Students (the new indicator from the state comprised of the lowest performing 25% of students) indicating that they are meeting standards when it comes to growing some of their most vulnerable students. Although there are areas of academic performance that have room for improvement, I commend and recognize the work that NCP leadership is doing to improve academic performance moving forward. Specifically, in school year 2023-24, the network has shifted to focus on tracking student mastery of academic standards, has adjusted school instructional leadership, and has created plans for reteaching of standards where needed. This process has been implemented in classrooms, with leadership and teachers no longer relying solely on iReady assessment data to drive instruction. The school is looking more broadly at other data sets weekly such that decisions related to grouping and remediation can be implemented that is directly related to mastery of academic standards. Additionally, NCP is bringing in tutors to pull small groups of students to support academic learning. A focus for NCP moving forward will to achievement student academic growth and proficiency for all 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.

RCP provided a financial projection for the next five (5) fiscal years, assuming approval of the amendment. The school projects that it will maintain a positive net position on an annual basis with revenues exceeding operating expenses. In addition to the projected positive net income, the network is in a strong financial position based past audits and the school's Quarter 1 financial statements for school year 2023-24. While the audit for the fiscal year ending June 30, 2023 is not yet complete, the school met standards for financial performance on the FY22 financial performance framework. Should enrollment not materialize at the increased amounts, the school's contingency plan is to reduce variable costs, leverage the networks fund balance, and if needed, work with funding partners to negotiate a rent abatement or fee deferral.

While the facility costs have increased from what was originally anticipated and included in the initial application, this is a result of higher construction costs in today's market and site work. The budget that was submitted within the petition reflects the higher facility costs without impacting the expenditures necessary for the educational program. Additionally, the projected budget includes waiving the management fees for NEI in Years 1 and 2 to further support the school's financial solvency in the first few years of opening. The management fee will then resume beginning in Year 3. Although meeting enrollment projections is a common concern for new schools, RCP has already received 826 applications for grades K-6, with four of the seven grades already having a waitlist, providing the necessary assurance regarding the school's financial projections and the anticipated surplus year over year.

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

On July 31, 2023, RCP closed on a property at 4420 Manson Pike, which is geographically located near the Blackman/Stewarts Creek school zones. These school zones are experiencing overcrowding due to rapid population growth and families in these zones have faced re-zoning. The facility is already under construction such that the school is prepared to open in August 2024. The amendment petition outlines how the facility plans were adjusted to accommodate the additional seats without sacrificing the outdoor space and flexible classrooms needed to provide services to the student population in line with the school's mission. NEI has also worked with the building designers

and architects to adapt the previous facility plans to include the additional classrooms at a cost saving, allowing for additional resources to be put into classrooms as evidenced by the budget and the projected expenses for instructional materials.

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

The operator is currently actively recruiting and had conversations with potential candidates to be named the principal of RCP, with the plan to have a leader named by February 15th. In addition to the school leader, RCP has already identified an assistant principal, who is currently at Nashville Collegiate Prep and learning under the principal there. Staff recruitment for RCP is also currently underway and, in addition to the assistant principal, RCP has hired the registrar, a key role in the opening of a new school site. Teacher recruitment efforts include attending teacher recruitment fairs in the spring, posting vacancies on hiring websites, and working with local universities and agencies. The timeline for hiring teachers is late February/early March, with final staffing secured by early summer. Professional development is a key part of the school's operations plan, and all new teachers will be provided two full weeks of training and support specific to the community learning model and the systems of support that will be in place throughout the school year.

The Commission recognizes the importance of ensuring that schools are fully staffed and that teachers are up to date on all licensure requirements. All Commission-authorized charter schools receive feedback every quarter regarding compliance with these requirements. During Quarter 1 monitoring for the 2023-2024 school year, NCP was both fully staffed and up to date on all staff licenses. The operator is aware of the licensure requirements and anticipates no licensure issues in the opening of RCP.

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

The amendment petition for RCP demonstrates clear evidence of support from parents, staff, and community partners. Included within the amendment petition are letters of support from influential leaders in Rutherford County including state senators and state representatives, the County Commissioner responsible for the location of the school, two Rutherford County school board members, and the Murfreesboro City Manager. Furthermore, the school has held information sessions where interested parents attended, resulting in lead generation. As a result of the noteworthy community support, since opening enrollment on December 1, 2023, RCP received 826 applications for grades K-6, exceeding the maximum enrollment of 671 in school year 2024-25 and with four of the seven grades already having a waitlist.⁴

Recommendation

Throughout the Commission staff's review of the record of Rutherford Collegiate Prep'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 since the opening of NCP in school year 2021-22 and throughout the extensive facility search in Rutherford County and based on the materials reviewed regarding the amendment petition, I fully acknowledge the extensive effort and work that has been done by the operator to identify a facility and garner the community support necessary to increase enrollment such that they can serve additional students. I specifically recognize the 826 applications that have been received since opening enrollment on December 1st. In a time where most new schools struggle to meet enrollment targets, the fact that they have already exceeded their enrollment goal gives me the confidence that RCP is well positioned to support the

⁴ NEI application count as of January 12, 2024 as provided by operator.



additional students in the facility that is currently under construction all the while helping to alleviate overcrowding that is currently occurring in Rutherford County.

Based on this review, Commission staff recommends approval of the amendment petition for Rutherford Collegiate Prep. Upon Commission approval of the amendment petition and the amended charter agreement, if approved, the Commission will permit RCP to serve students in grades kindergarten through eighth with an enrollment maximum of 965.

A handwritten signature in cursive script that reads "Tess Stovall".

Tess Stovall, Executive Director
Tennessee Public Charter School Commission

January 26, 2024
Date