

So You Want to Start a Charter School?

The fundamentals on how to found a high-quality charter school in Georgia



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Agenda

Charter School Basics

Busting Charter School Myths

The Charter School Development Process

The Charter School Application Process

Capacity Building for Charter School Founders



Introductions

Name

Proposed School Name (if you have one)

District location

Why are you interested in starting a charter school?

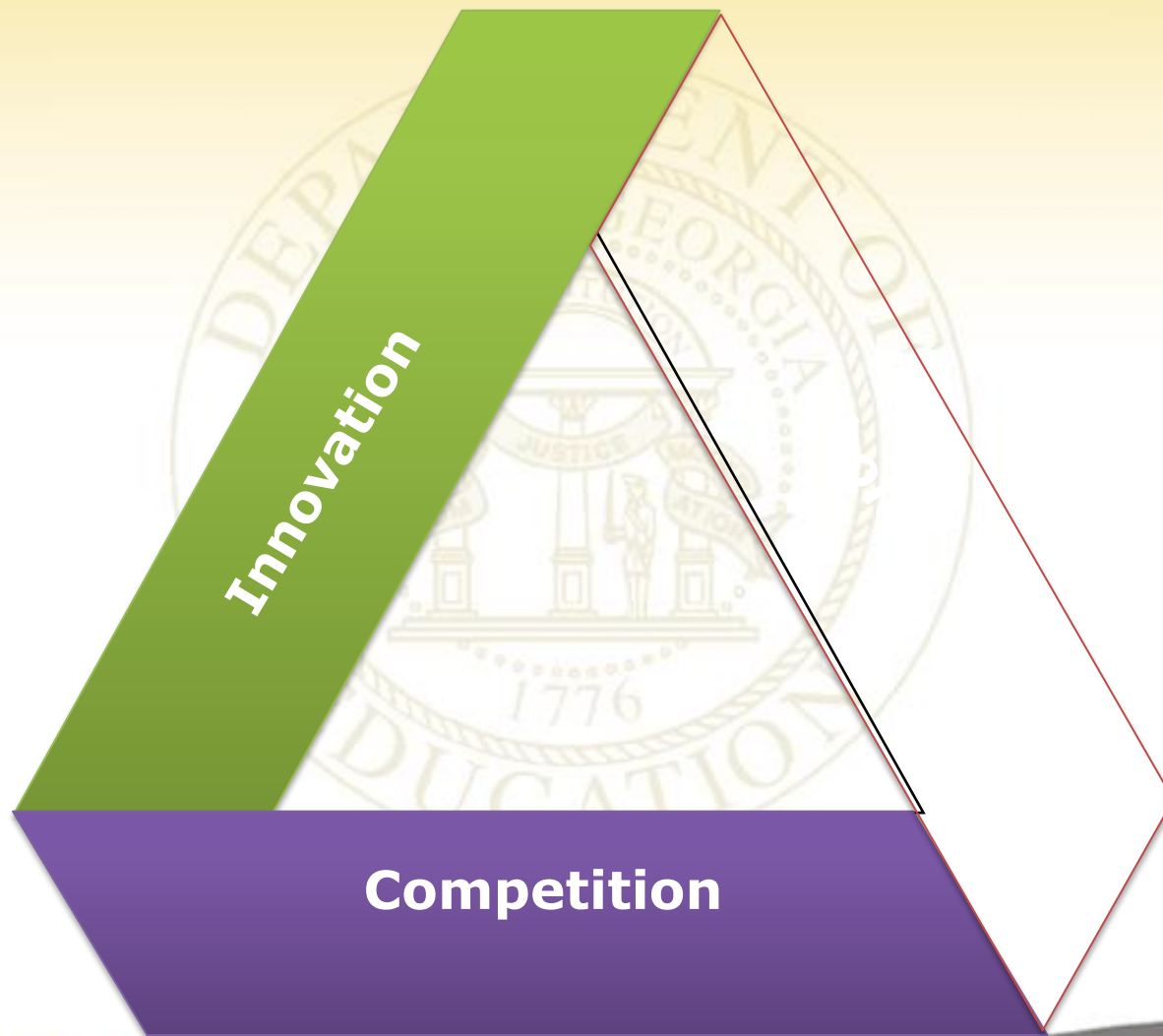
What are Charter Schools?

Charter schools...

- Are public schools of choice
- Are publicly funded, but organized and governed by a private group of individuals, a private organization, or state and local public entities
- Are free from many of the regulations that govern traditional public schools
- Involve partnerships with local communities and businesses



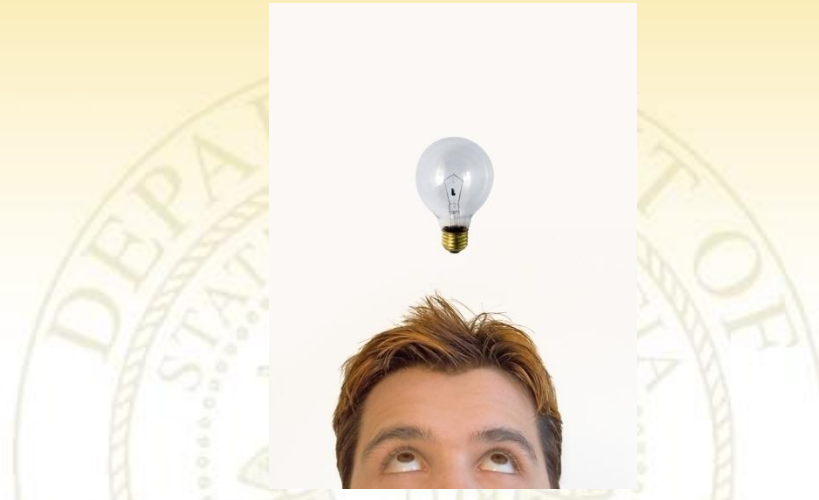
Why charter schools?



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Innovation



Freedom from many
state and district
regulations inspires
creativity

Advocates see charter
schools as incubators of
innovation where best
practices will be
implemented



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Choice



Provide choice to
parents and
students

Can serve as an
alternative to failing
schools

Can have a specific
focus or model that
provides a better fit
for some students



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Competition



Provide market competition to traditional public schools as an incentive for change

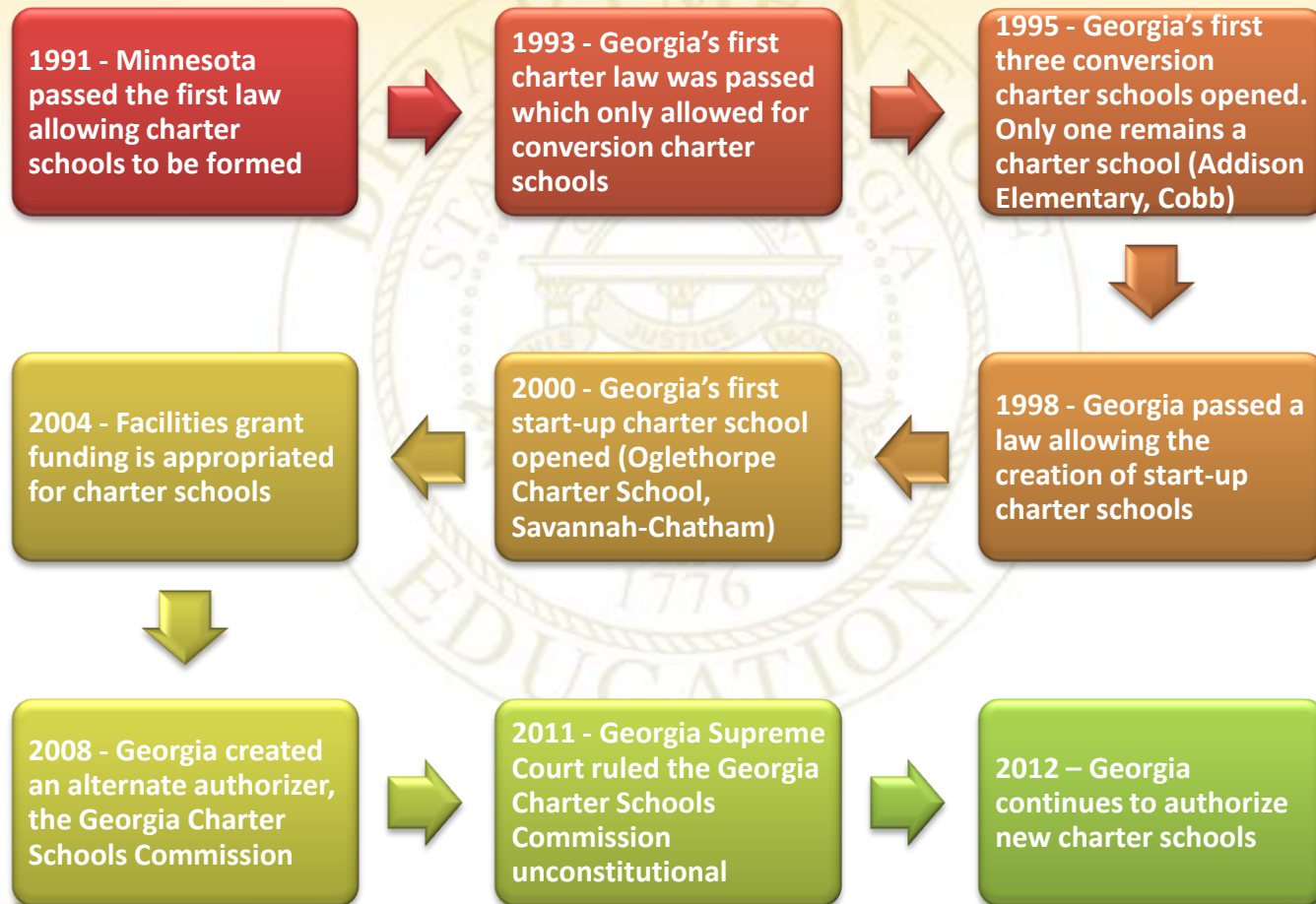
Traditional public schools must respond to the challenge to retain or win back students



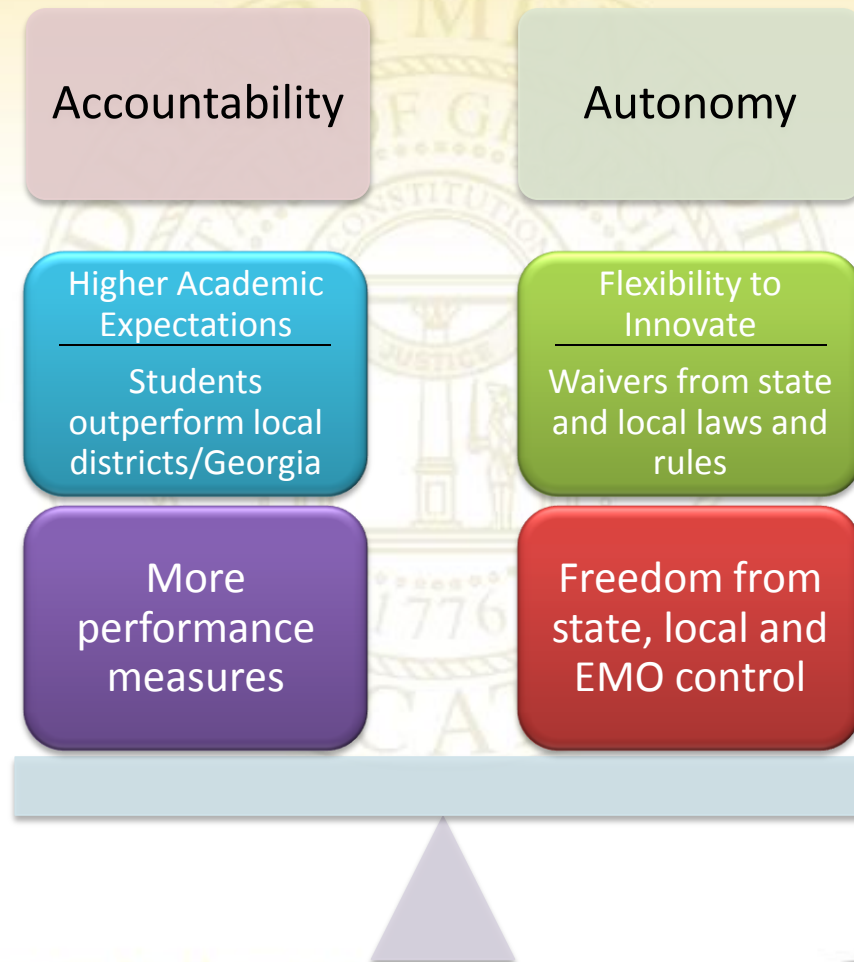
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Georgia Charter School History

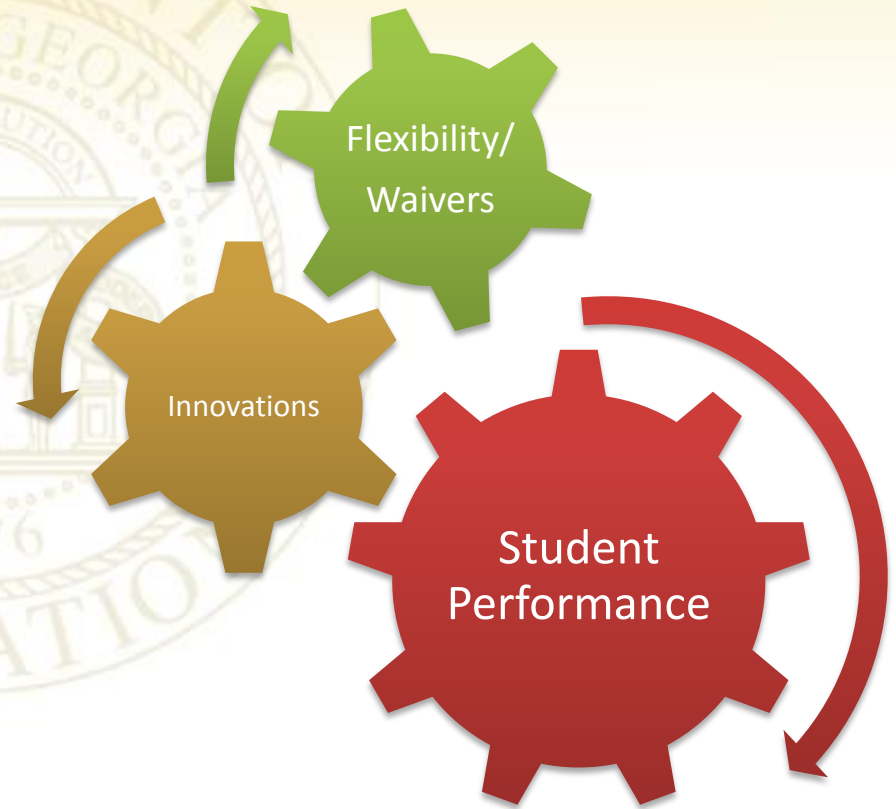


What is the basic charter bargain?



Must show the following links

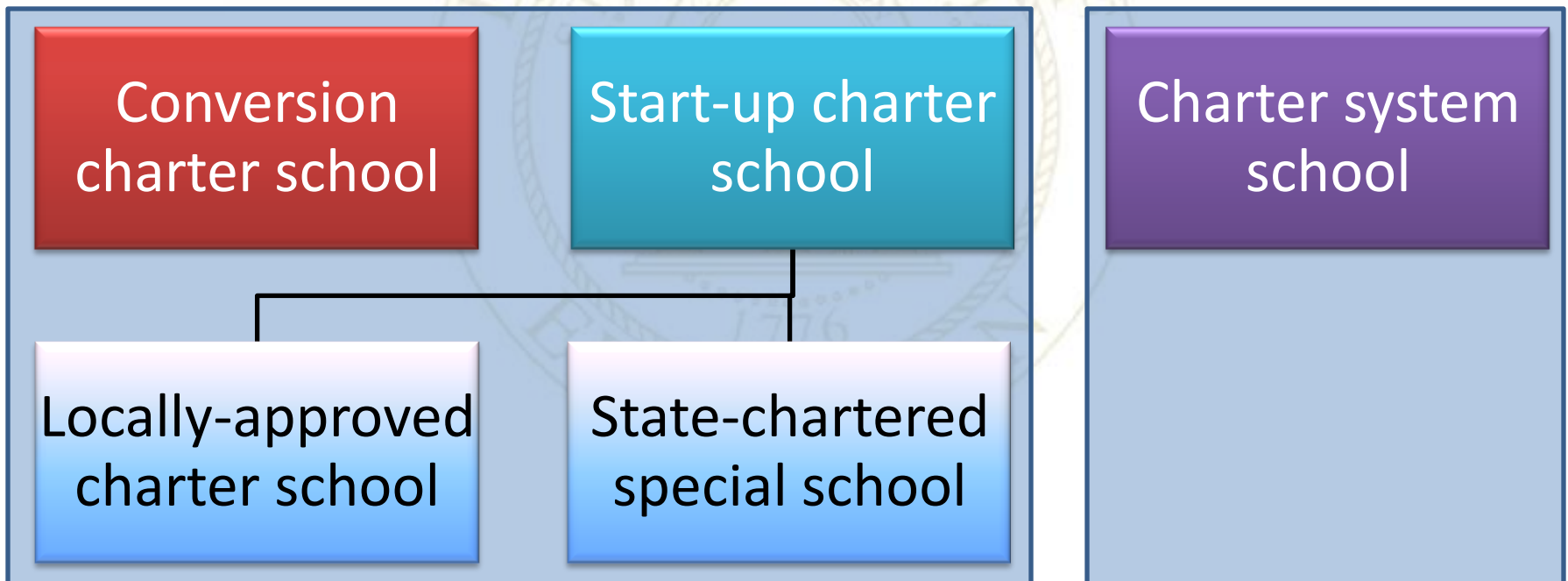
- Petitioners are asked:
 - What would having a charter allow you to do differently to increase student achievement that you could not do without a charter?
 - Why do you need a charter to implement the innovations you have proposed?
- Must show the following links:



What are the different types of charter schools?

Different starting points,
same end point

Same starting point as a
conversion,
different end point



What is a conversion charter school?

Definition

- Traditional public school that becomes a charter school
- Gains additional flexibility in exchange for higher levels of accountability

Facts & Features

- 31 conversion charter schools in Georgia
- Strategy for turning around low-performing schools

Relative Advantages:

- Student population, building, and operational systems and structures are already in place

Federal/State Compliance

- Must comply with all Federal laws and regulations
- Must comply with all State laws, rules and regulations not waived by the Charter



What is a start-up charter school?

Definition

- Started by private individuals and private organizations, as well as local districts and community members
- Can be locally approved (with SBOE) or a state-chartered special school (SBOE only)

Facts & Features

- Did not exist prior to the petition
- Most common type of non-charter system charter school in Georgia (85)

Relative Advantages

- Opportunity to start a school from 'scratch' with everything needed to be a successful school

Federal/State Compliance

- Must comply with all federal laws and regulations
- Must comply with all state laws, rules and regulations not waived by the charter contract



What is a career academy?

Definition

- A *locally-approved, start-up charter school* that partners with a local district, area businesses, and a technical college

Facts & Features

- Most career academies start off as programs
- Career academy courses are a reflection of the community's needs and businesses
- 15 career academies with charters in Georgia

Relative Advantages

- Local districts are able to demonstrate their commitment to preparing their students for either college or a career

Federal/State Compliance

- Must comply with all federal laws and regulations
- Must comply with all state laws, rules and regulations not waived by the contract



What is a STEM charter?

Definition

- A locally-approved, charter school or state-chartered special school that has a curriculum dedicated to Science, Technology, Engineering and Math (STEM)

Facts & Features

- While many charter schools have a STEM program, Georgia does not yet have any STEM charter schools
- Governor Deal has committed capital funds to assist the creation of STEM charter schools
- There are no STEM charters in Georgia yet

Relative Advantages

- May qualify for additional federal and state grants to plan and create a STEM charter

Federal/State Compliance

- Must comply with all federal laws and regulations
- Must comply with all state laws, rules and regulations not waived by the charter contract



Busting Charter Myths



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Myth: Charter schools take money away from district public schools

Reality

- Locally-approved charter schools are district public schools
- Funds that go to locally-approved charter schools remain in the public school district



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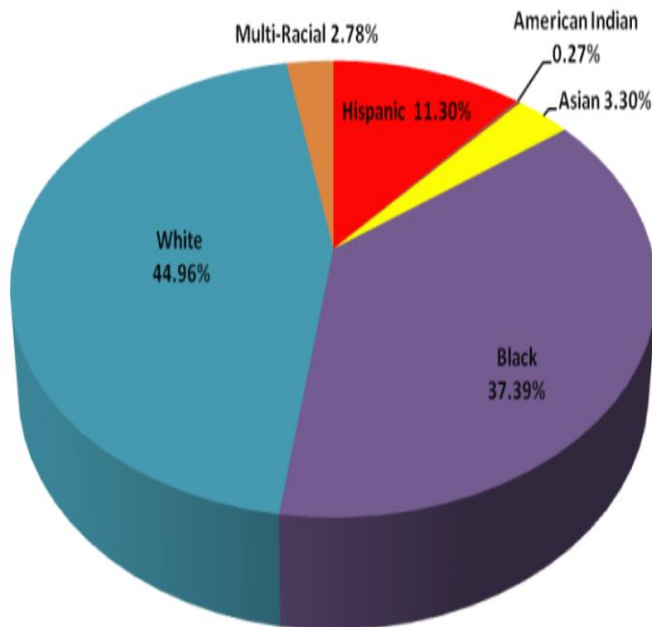
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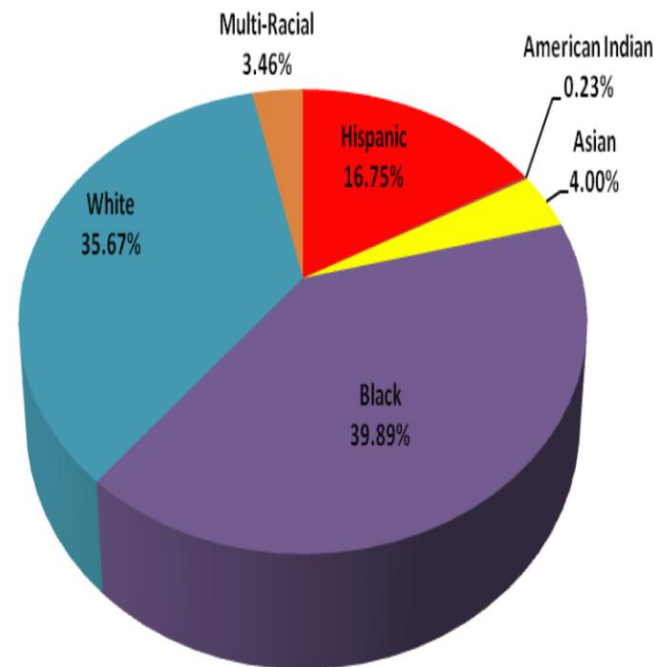
Myth: Charter schools are created to serve only one type of student

Reality

Racial Composition of Georgia's Schools



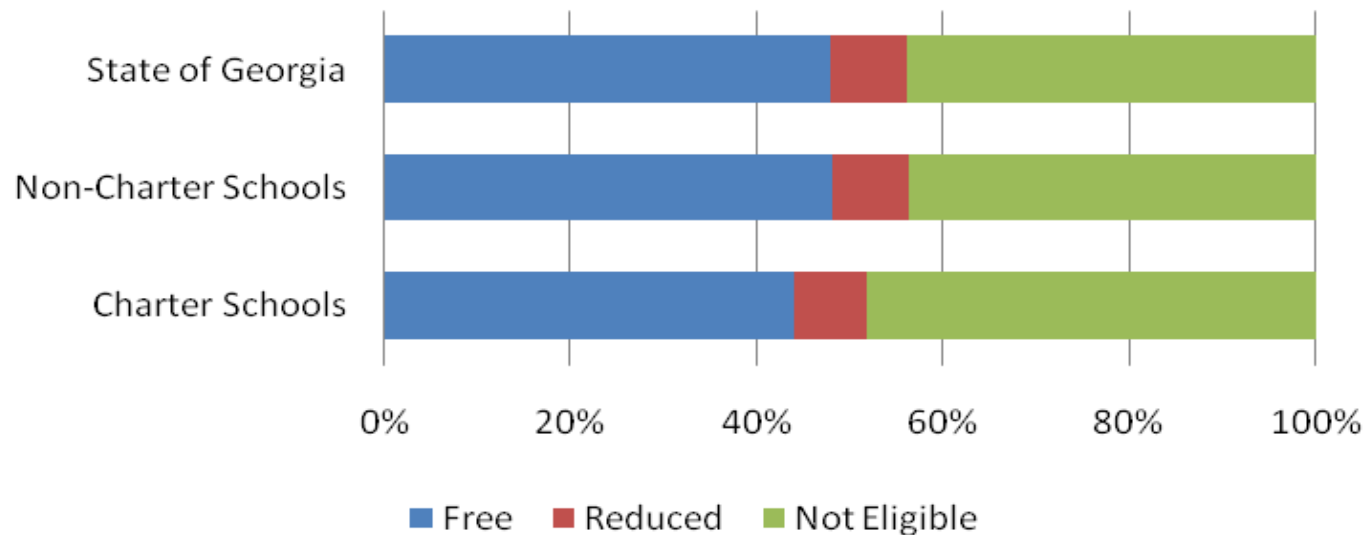
Racial Composition of Georgia's Charter Schools



Myth: Charter schools are created to serve only one type of student

Reality

Percentage of Students in Free & Reduced Lunch Program



Myth: Charter schools recruit only the “cream of the crop”, the best and most motivated students

Reality

- Charter schools are not systematically recruiting high-achieving students (Zimmer, et al., 2009)
- Students transferring to charter schools have similar or lower test scores than their peers in traditional public schools



Myth: Charter schools aren't accountable to anybody.
They don't have to abide by state and federal law.

Reality

- Charter schools in Georgia are held to a higher standard of accountability than traditional public schools
- Charter schools may only waive certain elements of Title 20
- Charter schools must comply with those state laws related to student health and safety, funding formulas and other non-waivable provisions
- Charter schools must comply with ALL federal laws
- Charter schools can be closed for failure to meet performance standards



Myth: Charter schools do not serve students with disabilities or English learners

Reality

- Charter schools are required to comply with IDEA, Section 504, and Title III
- Georgia Student Enrollment Data 2011:

	Charter	Non-Charter
Students with Disabilities	9.49%	10.63%
English Learners	9.32%	6.08%



Myth: Charter schools perform more poorly than traditional public schools

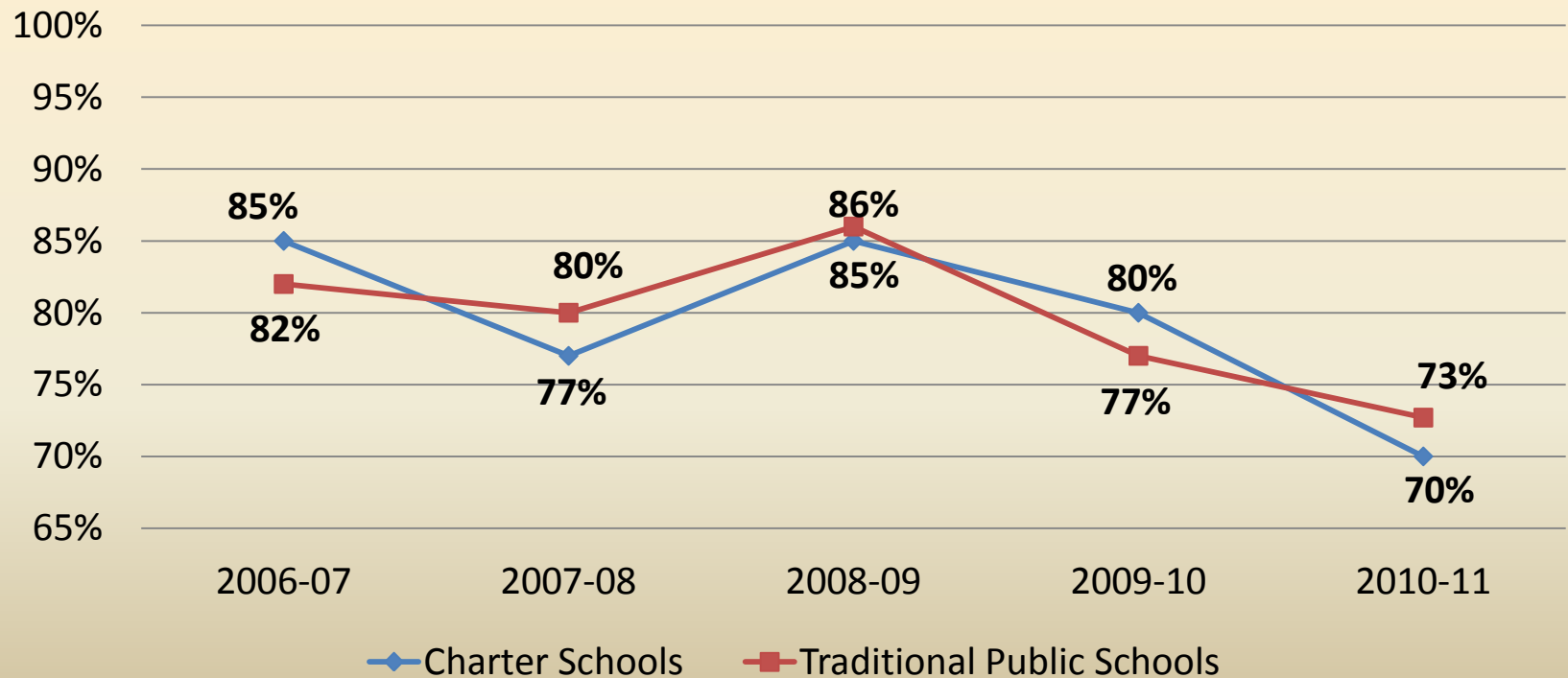
Reality

- Nationally, studies have shown mixed results for charter schools – and the same is true in Georgia
- However, Georgia's high standards for approval, oversight, and renewal of charter schools is leading to many charter schools outperforming their traditional public school counterparts



Georgia's charter schools are neck-and-neck with traditional public schools

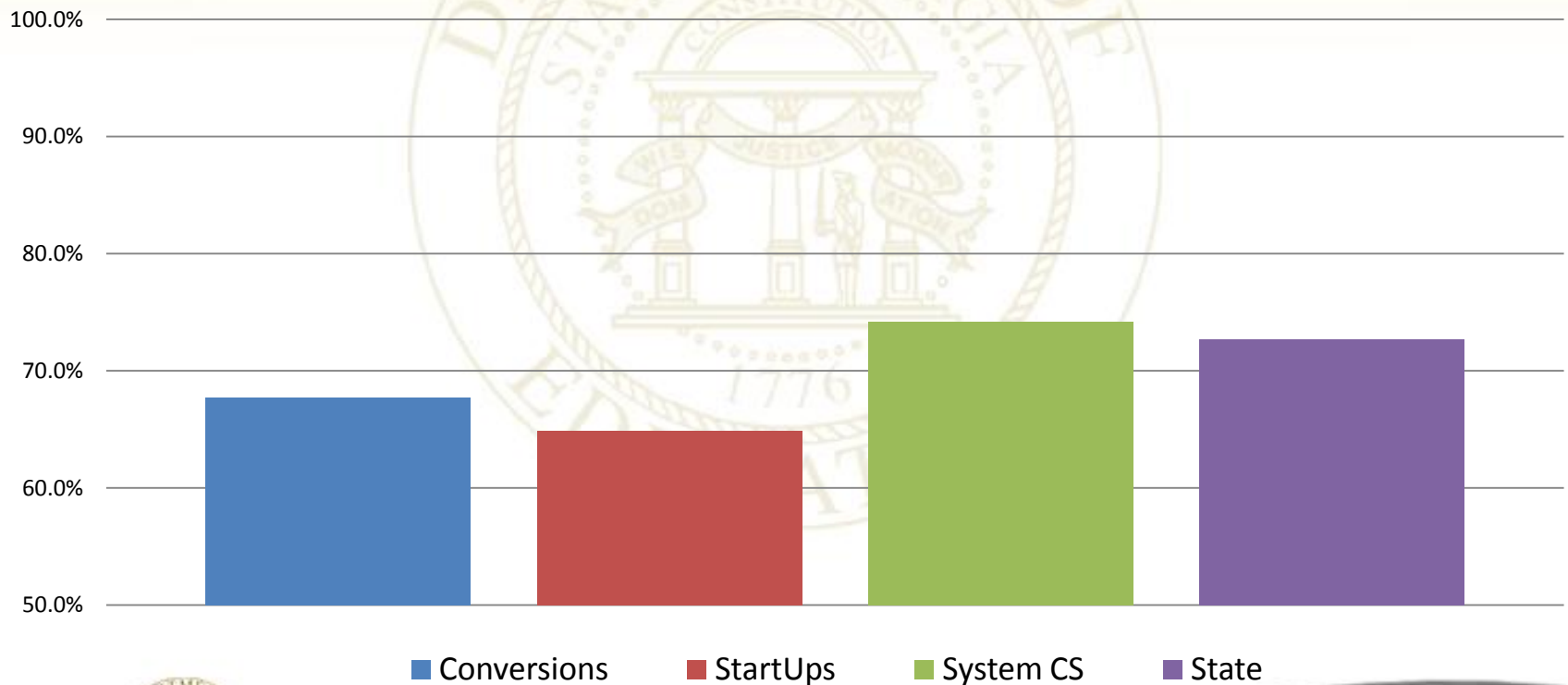
Percentage of Charter Schools Making AYP vs. Traditional Public Schools in Georgia



The general trend of Georgia charter school performance typically mirrors the trend of traditional public school performance.

Charter system schools outperform other types of charter schools and traditional public schools

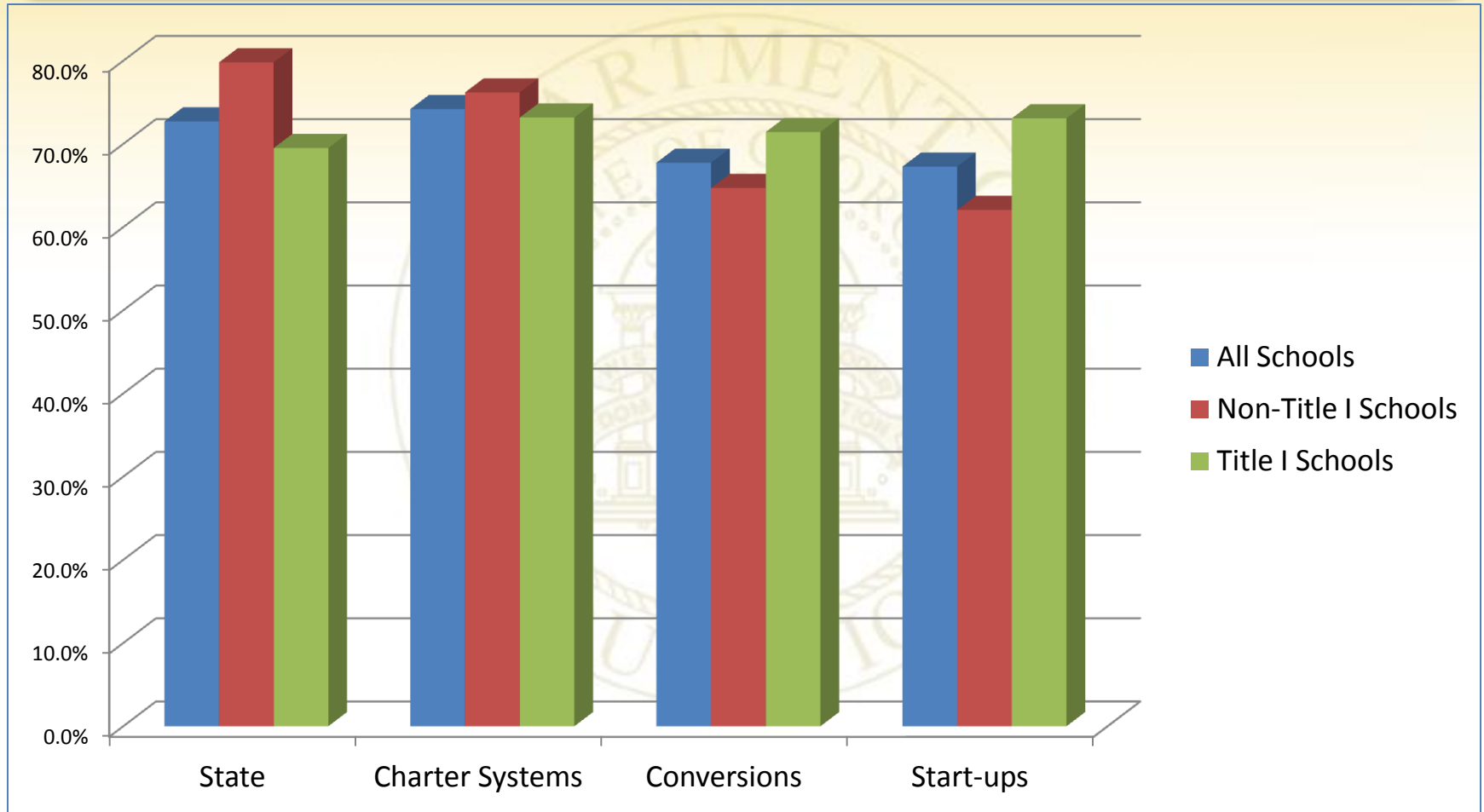
2011 Percent of Schools Making AYP by School Type



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Title I charter schools outperform traditional Title I public schools – and non-Title I start-ups and conversions



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The Charter School Development Process

How to get started and on the right
track



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Disclaimer!

This proposed timeline is merely one example of how a founding group might approach their development. There are a number of possible timelines.



Developing a High-Quality Charter School



Step 1 – Identify the Need

Identify the possible needs of your community

- Is there a strong demand for a particular type of school within the local district?
- Are the local public schools not meeting the needs of the parents?
- Have local public schools closed in recent years?



Step 1 – Identify the Need

Need is typically tied to academic performance.



SBOE requires that all charter schools must continuously improve student achievement



If there is not a need, a charter will not be granted



Step 1 – Identify the Need and Possible Solutions

Our local schools do not provide the training that our students need to compete in the global marketplace.

- Foreign language
- Dual Language programs
- Immersion programs

Our local schools do not provide enough science or math options for our students.

- STEM

Our local schools do not provide a rigorous academic program that will prepare them for college.

- College Preparatory

Our local schools are not preparing our students adequately for careers in the local community.

- Career and Technology Education
- Career Academy



Step 2 – Identify a Strong Group of Potential Founders

Recruit individuals to serve on the governing board

- Potential members should reflect the community
 - Reflect the skills that will be needed to run a charter school

Recruit individuals to serve on committees

- Hold community meetings
- Build general support and interest
- Get parental signatures



Step 2 – Creating the Vision

Draft a vision and mission statement shared by the entire founding board

Create a comprehensive application timeline

Work on business plan and strategic plan

Develop clear roles and responsibilities

- A high-quality charter school should not be founded by a single individual

Attend local and state trainings on charter schools



Step 3 – Meet with the Local District

Listen to what the district has to say. Find out what their expectations are for charters.



Explain why a charter school is needed



Provide evidence that your proposed model could be the solution to the need



Stay positive! The local district is an important potential partner



Step 4 – Submit a Letter of Intent

Letter of Intent

- Must be submitted to the local district and the SBOE 18 months prior to the date the school would like to open.
- Must include the following items:
 - Proposed vision and mission of the school
 - Name of the school
 - Proposed grade configuration
 - Name of the school system where the school will be located
 - Anticipated number of students
 - Proposed opening date



Step 4 – Submit a Letter of Intent

Letter of Intent

- Must be submitted to the local district and the SBOE 18 months prior to the date the school would like to open.
- Must include the following items:
 - Mission
 - Name of the school
 - Proposed grade configuration



Step 5 – Determine if the board will contract with an EMO

This event could happen earlier or even later in the process. Ideally, the founding board will be in place and established prior to deciding to contract with an EMO.

Founding board should look at multiple EMO/CMO companies

- The founding board should interview the EMO/CMOs



What is an EMO? What is a CMO?

Education Management Organization

- AKA Education Service Provider
- For-profit organization that manages schools
- Educational Program – typically proprietary

Community/Charter Management Organization

- Non-profit organization that provides organizational assistance to schools
- Typically does not have a proprietary educational program



Role of the EMO in the Petition Process

EMO can serve as a consultant or partner

EMO cannot serve as lead petitioner

- Cannot legally hold the charter
- Cannot legally receive many federal grant program funds

Can help governing board develop capacity



Step 5 – Key Questions to Ask EMOs/CMOS

Who are the EMO's partners and funders?

What is the EMO's growth strategy? Does it align with your vision?

Where does the final decision-making authority rest? With the EMO or with the governing board?

Does the EMO have the capacity and willingness to adjust a basic school model to meet the special or unique needs of the student population?



Step 5 – GaDOE Standards

Evidence that Governing Board looked at a variety of EMOs

EMO Contract has clearly been negotiated between both parties

EMO has a strong record of academic success in other states

EMO has organizational and financial stability



Step 6 – Writing the Petition

Attend local and state trainings

Review the application prior to starting

Divide up the application

Review and revise!



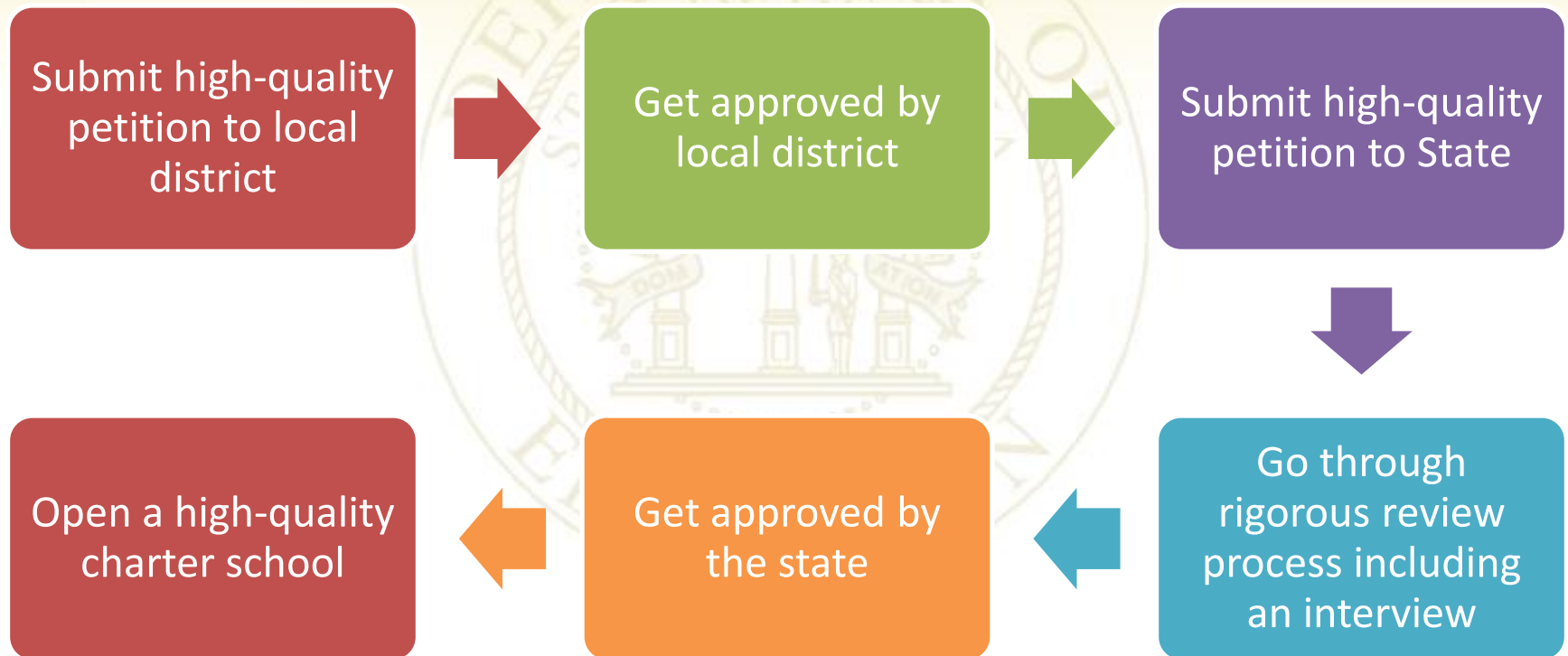
The Charter School Application Process

How to Navigate the Application Process

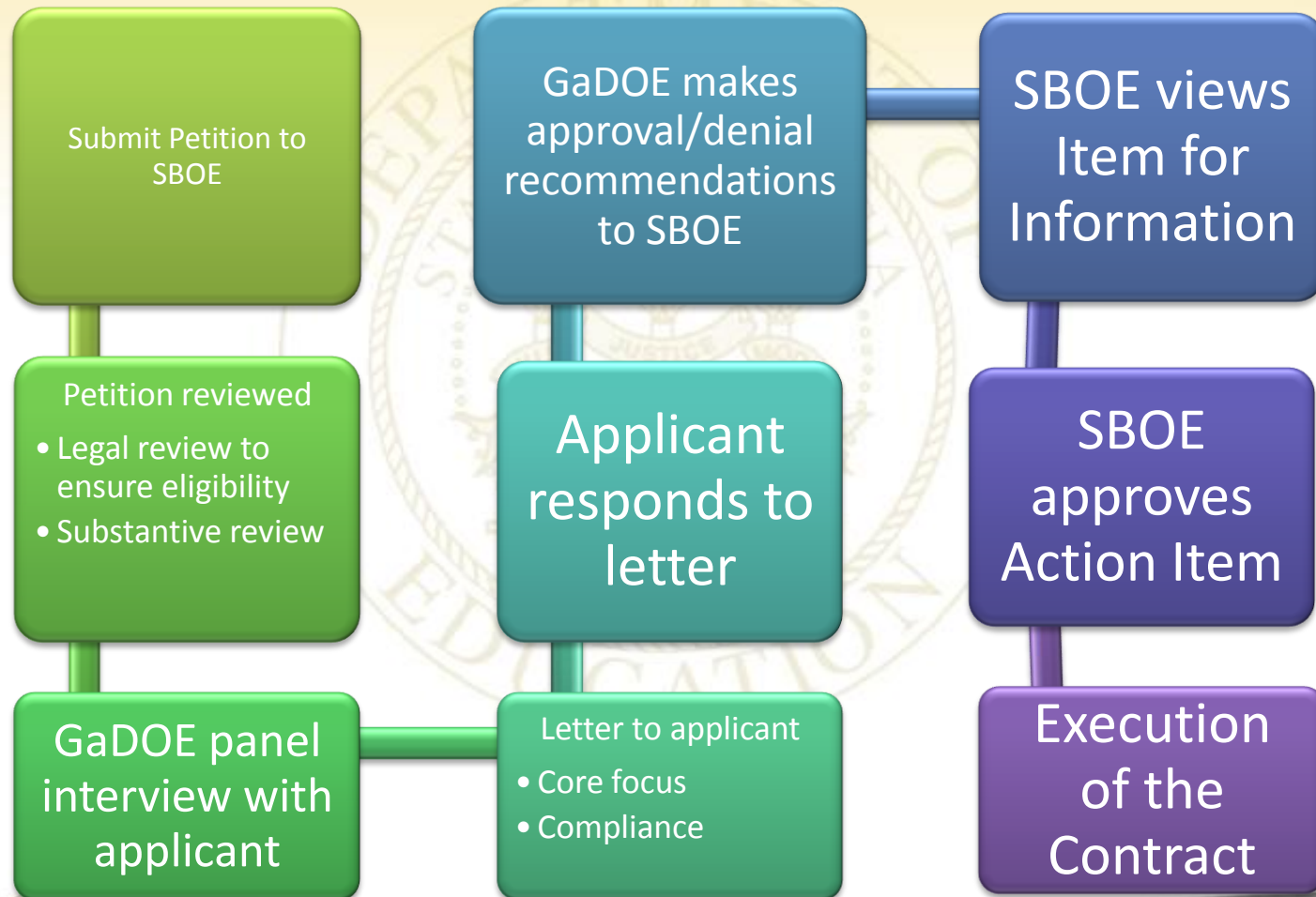


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The Application Process



What is the SBOE petition review process?



What are the key indicators that an applicant can create and sustain a high-quality charter school?

Strong SMART Academic Goals and
Sound Educational Plan

Sound Financial Plan

High-Quality Charter
School Application

Strong, Autonomous Governing
Board

Legal Compliance



The State Board of Education's Role as an Authorizer



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What is an authorizer?

An authorizer is an entity that has the authority to create charter schools

Contracts

- Enters into contracts with a non-profit charter petitioning group and/or local school district (charter systems)
- 3-party contract for locally-approved charter schools (SBOE, district, school)
- 2-party contract for charter systems (SBOE-district) and state-chartered special schools (SBOE-school)

Decision-making

- Determines if a petition to start and operate a charter school or charter system should be approved
- Determines if existing charter schools and charter systems should be renewed

Monitoring

- Conducts ongoing oversight of charter schools to evaluate performance, monitor compliance, and enforce contract terms
- Ensures that charter schools practice open enrollment and conduct fair and open enrollment lotteries



What are the responsibilities of authorizers?

An authorizer is an entity that has the authority to create charter schools

Maintain high standards for schools

- Set high standards for approving charter schools
- Close schools that fail to meet standards and targets set forth in law and by contract
- Cultivate quality charter schools that meet identified educational needs

Uphold school autonomy

- Responsible for holding schools accountable for their overall performance
- Minimize administrative and compliance burdens on schools
- Focuses on holding charter schools accountable for *outcomes not processes*

Protect student and public interests

- Make the well-being and interests of students the fundamental value informing authorizer actions and decisions
- Ensure that schools fulfill fundamental public education obligations to all students including nonselective, nondiscriminatory access to services and the school



Who are authorizers in Georgia?

For locally-approved and system charter schools

Local Boards
of Education



State Board of
Education

For state-chartered special schools

State Board
of Education



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How does the Department of Education support the State Board in their role as authorizer?



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What are the roles and responsibilities of GaDOE's Charter Schools Division (a.k.a. Office of Charter School Compliance)?

Review and develop recommendations on locally-approved charter school petitions and state-chartered special school applications

Technical assistance to local school systems on chartering

Technical assistance to charter applicants

- Charter applications
- Renewal applications
- Planning, implementation, facilities grants

Strategic plan and policy for Georgia's charter schools program

Management of federal grants

Annual Report to the General Assembly and Governor

Monitor charter school compliance with the terms of their charter



What does the Charter Schools Division NOT provide assistance with?

Write charter petitions

Develop budgets for charter petitioners

Draft grant applications

Advise governing boards on legal issues

Daily operations assistance



Capacity Building for Charter School Founders

- Governance
- Educational
- Finance
- Facilities/Operations



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Governing Board Basics

At minimum, governing board plans should have the following:



Diversity in Experience

- Legal
- Financial
- Real Estate
- Educational

Consist of 5-13 members committed to several hours of work each month

Well-developed training plan for entire charter term

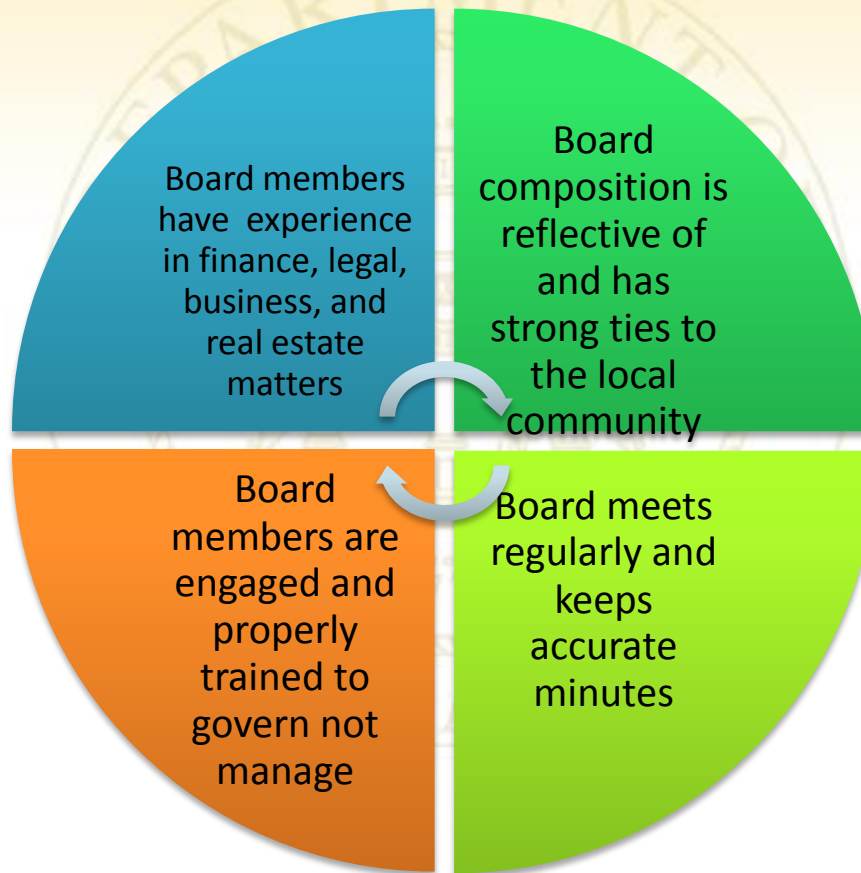
Well-developed recruitment plan for additional members



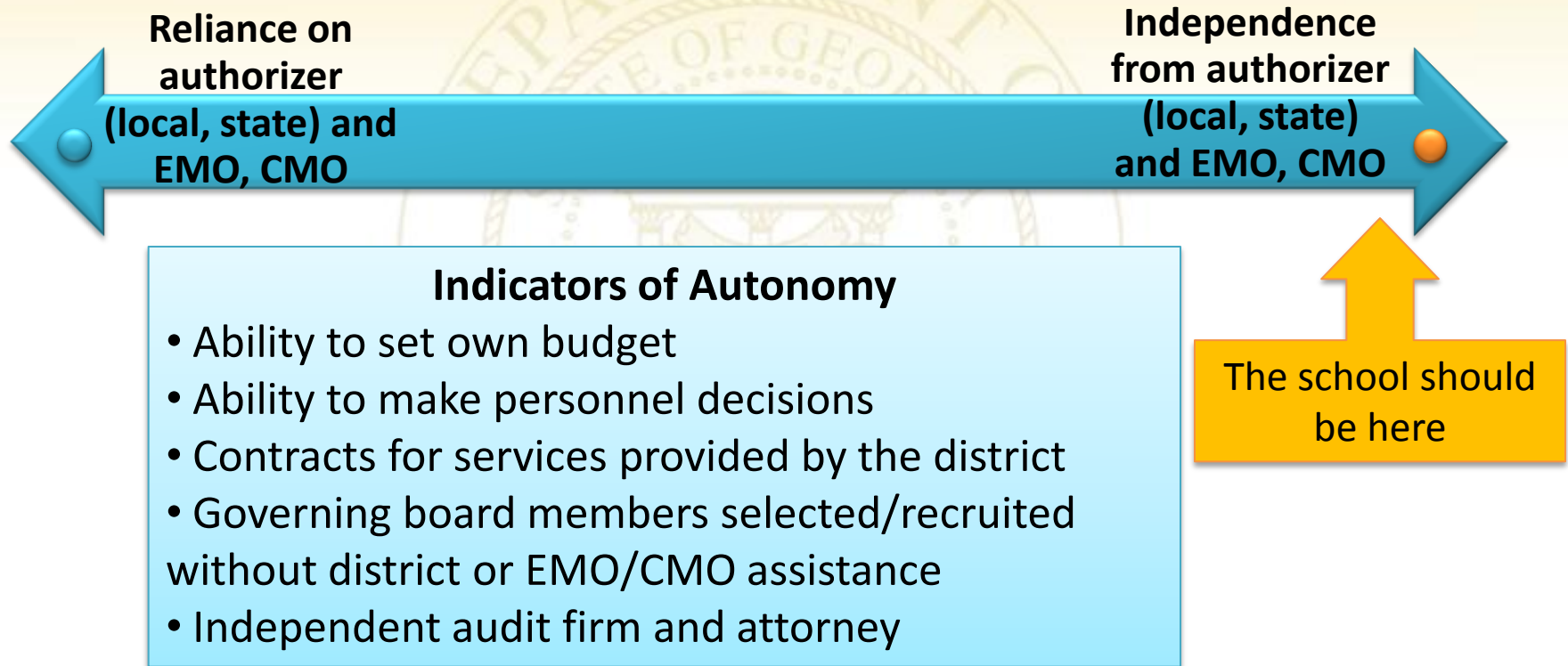
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Governing Board Capacity



Governing Board Autonomy



Governing Boards

Best Practices

Create policies and guidance

Employ principal and evaluate the principal yearly

Meet monthly and receive regular updates on academics and finances

Have a strong committee structure

Warning Signs

Micromanage daily school affairs

Turn over all control to a management organization

Meet irregularly

One or two people assume all of the responsibilities



Developing an Academic Plan

Should address the need (s) identified in step 1 of the process

Should be aligned to the Common Core Georgia Performance Standards

Should be research-based and rigorous

Should be innovative for the local community



Sound Educational Plan

High Quality Instructional Program

- Sets high academic standards and goals for all students
- Recruitment and development of highly-qualified instructional staff
- Strong professional development plan

Legal Compliance

- Federal programs
- Accountability requirements
- Title III/ESOL
- Special education



Academic Goals and Objectives

At minimum, goals must meet the following criteria



SMART

- Specific
- Measurable
- Attainable
- Rigorous
- Time-limited

Meet NCLB
AYP
requirements
and State
AMOs

Exceed the
performance
of local
district
schools

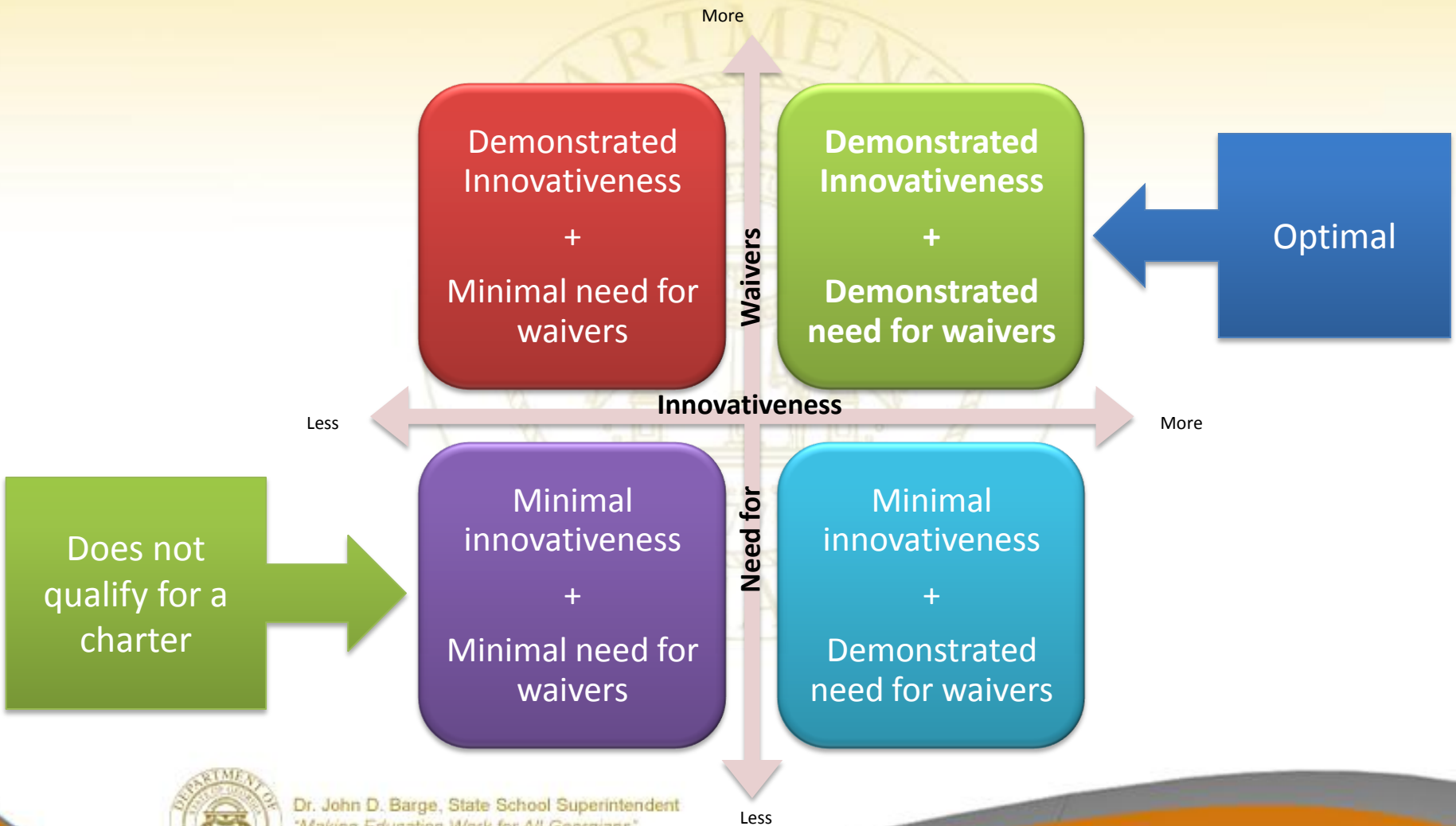
Include
multiple
measures:
absolute and
comparative



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Innovation and Waivers



Making Good Financial Decisions



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True or False

When projecting your locally approved charter school funding for your budget you should use the local district's average per pupil revenue.

FALSE

As a state-chartered special school you will receive more funding than as a locally approved charter school.

FALSE

A recent college graduate with a B.B.A. in marketing can serve as your charter school's CFO.

FALSE



CFO Requirement

Designation of a chief financial officer possessing the following MINIMUM credentials

- Baccalaureate or higher degree in business, accounting, or finance from an accredited college or university and a minimum of four years experience in a field related to business;
- OR
- Documented experience of ten or more years in the field of business and financial management.

Designation of a chief financial officer possessing the following ADDITIONAL credentials

- Certified Public Accountant (CPA) or other financial certifications
- Masters degree in related field
- Previous education finance experience
- Prior experience managing a budget of at least \$1 million
- Prior experience with governmental accounting and GAAP



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State/QBE Funding

Georgia utilizes a state funding formula that is based on the full-time equivalent (FTE) student counts in nineteen instructional programs

Cost components are identified for each program

Programs are weighted to reflect estimated costs associated with each program



Local Funding

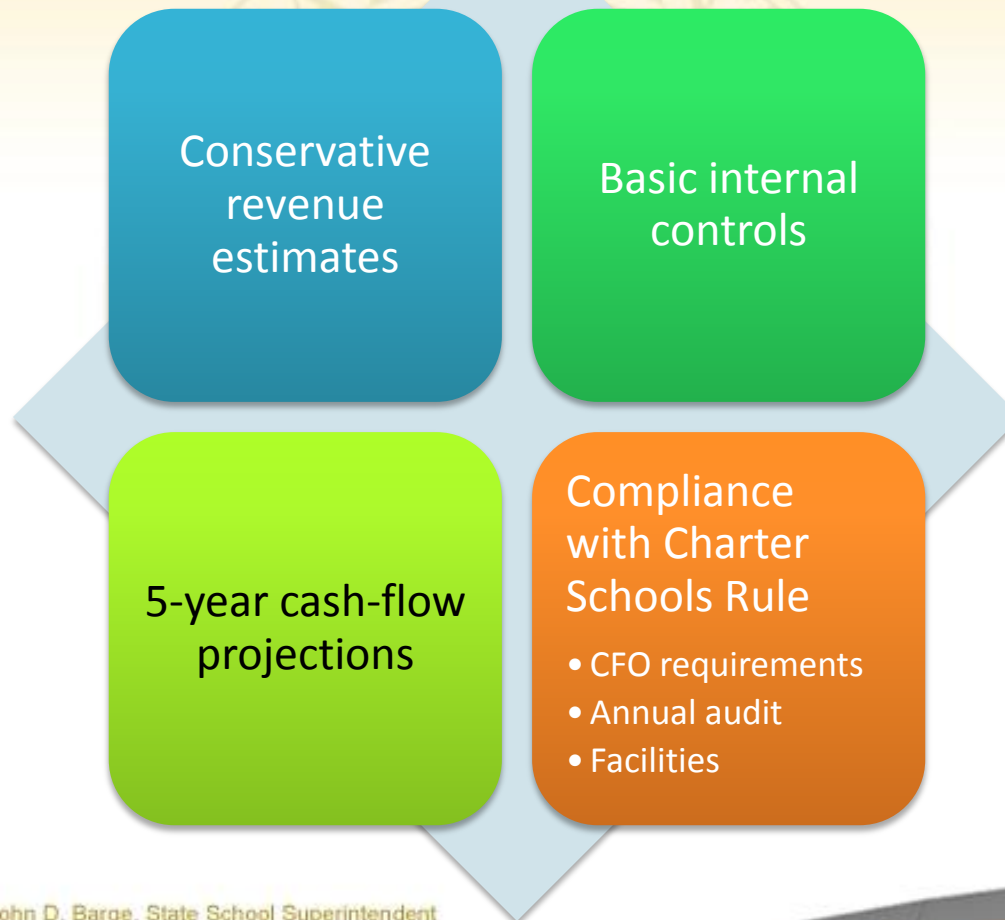
Local revenue should be allocated to a local charter school on the same basis as for any local school in the local school system.

Charter schools do not receive the AVERAGE revenue amount. Charter schools receive a local amount that is proportionate to the grades and students served.

Local funding is only earned by Start-Up and Conversion Charter Schools (not by State-Chartered Special Schools).



Sound Financial Plan



Finding a Facility

Where to locate your charter school
and how to do it on a budget



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Sound Financial Plan

Location

- What district will the school be located?

Location

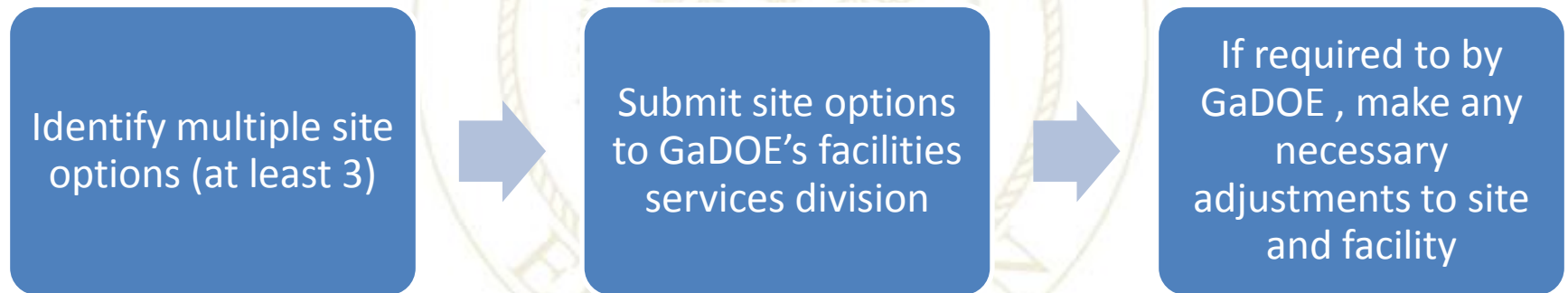
- What type of facility will the school be located?
 - Existing school building, converted office space, former private school facility etc

Location

- Is the proposed facility located near safety hazards?
 - Gas lines, railroad tracks, stores that sell alcohol



Facilities Site Approval (Condensed)



Charter Schools Facilities Grant

Awards

- In Georgia's FY 2012 Facilities Grant competition, there were \$5.9 million in facilities grant funding requests for \$1.8 million in available facilities grants
- 27 schools were awarded facilities grants and 34 schools applied for the grant
- Competitive grant program for all types of charter schools except charter systems
- Qualified demand for facilities funding in Georgia is significant

Application

- Schools submit application with the following components
 - Statement of need
 - Academic performance
 - History of fiscal management
 - Five-year facilities plan



Most Frequently Requested Items in Charter School Facilities Applications

Lease/Mortgage
Payments

Janitorial

School Buses

HVAC

Plumbing

Other General
Maintenance



Facilities – 5 year Sustainable Budget

Make reasonable rent or mortgage estimates when a facility hasn't been secured

- Provide transparent documentation to support your estimate
- Facilities costs should not exceed 15% of budget over 5 year period
- Conservative 5 year budget projections

Provide all information requested on the charter application

- Geographic region
- Facility descriptions
- Permits, Certificate of Occupancy and documents of ownership/lease



Factors Impacting Type of Support Needed by Charter Schools

Performance of Existing Sites

- Measures of educational outcomes and student performance
- Current and future enrollment targets
- Number of students on waiting list (for last 5 years)

Finances

- Revenue projections (including estimated enrollment, revenues, expenses)
- Audited financial statements (for last 3 years)
- Charter renewal history and description of charter renewal process

Management and Administration

- Stable governance and leadership with experienced management team and organizational capacity
- Facilities and financial expertise on the school board

Debt, Capital Planning, Expansion Risk

- Demonstrated student demand to mitigate expansion risk
- Financial expertise of school leaders
- Facilities costs as a percent of operating budget

Geography Dynamics

- Philanthropic focus of local funders
- Favorable school brand
- Overall school costs may vary depending on location

