

**State Appropriation Expenditures and Revenues
FY 2008 and FY 2009**

	<u>FY 2007-2008</u>		<u>FY 2008-2009</u>	
State Revenues				
State Tax Revenue - Dept. of Revenue	11,117,583,200		10,153,530,000	
State Tax Revenue - Other State Revenue	1,034,907,800		938,300,000	
Lottery Funded Revenue:	<u>270,348,700</u>		<u>395,125,701</u>	
Lottery for Education	262,400,000		293,201,301	
After-School Programs	7,948,700		11,924,400	
Energy Efficient Schools	-		90,000,000	
Total State Revenue	<u>12,422,839,700</u>		<u>11,091,830,000</u>	
Department of Education				
Total Expenditures	3,756,810,400	30.24%	3,839,327,800	34.61%
Non-Dedicated Appropriations:	3,747,185,200	33.71%	3,735,827,600	36.79%
Basic Education Program (BEP formula)	3,478,347,000		3,555,190,600	
Early Childhood Education	54,517,900 ¹		57,116,400 ¹	
Other Education Programs	214,320,300		123,520,600	
Dedicated Appropriations:	<u>9,625,200</u>		<u>103,500,200</u>	
Boys and Girls Club	130,000		102,200	
Driver Education	1,546,500		1,473,600	
After-School Programs	7,948,700		11,924,400	
Energy Efficient Schools	-		90,000,000	
Higher Education				
Total Expenditures	1,637,820,200	13.18%	1,568,620,700	14.14%
Non-Dedicated Appropriations:	1,375,420,200	12.37%	1,275,419,400	12.56%
Public Institutions of Higher Education ²	1,275,975,900		1,193,641,100	
Other Higher Education Programs	99,444,300		81,778,300	
Dedicated Appropriations:				
Lottery for Education Account	262,400,000		293,201,300	

FY 2007-2008 is based on Actual expenditures and revenue collections. FY 2008-2009 are preliminary estimates. State Tax Revenue into Dept. of Revenue for FY 2009 is final.

¹ An additional \$25 M was allocated from excess lottery proceeds in each year. These funds are reflected as interdepartmental revenue from the Lottery for Educ. Acct.

² Public Institutions of Higher Education are those as defined in the Tennessee application for State Fiscal Stabilization Funds.

CHARTER SCHOOLS

Title 49, Chapter 13, is the Tennessee Public Charter Schools Act of 2002. Below are specific statutes that may be relevant to Race to The Top discussions.

Tenn. Code Ann. §49-13-101 contains the Tennessee Public Charter School Act.

Tenn. Code Ann. §49-13-102. Purpose. —

(a) The purpose of this chapter is to:

(1) Improve learning for all students and close the achievement gap between high and low students;

(2) Provide options for parents to meet educational needs of students in high priority schools;

(3) Encourage the use of different and innovative teaching methods, and provide greater decision making authority to schools and teachers in exchange for greater responsibility for student performance;

(4) Measure performance of pupils and faculty, and ensure that children have the opportunity to reach proficiency on state academic assessments;

(5) Create new professional opportunities for teachers; and

(6) Afford parents substantial meaningful opportunities to participate in the education of their children.

(b) It is the intention of this chapter to provide an alternative means within the public school system for ensuring accomplishment of the necessary outcomes of education by allowing the establishment and maintenance of public charter schools that operate within a school district structure but are allowed maximum flexibility to achieve their goals.

(c) It is the intent of this chapter to provide both the state department of education and local school systems with options relative to the governance and improvement of high priority schools failing to meet adequate yearly progress as outlined in both § 49-1-602 and the federal Elementary and Secondary Education Act, compiled in 20 U.S.C. § 6301 et seq.

(d) It is the intent of this chapter to provide the state department of education and local school systems with options relative to the delivery of instruction for those students with special needs as specified in the federal IDEA.

(e) It is the intent of this chapter to provide local school systems the option to work in concert with the state's public higher education institutions to establish charter school "laboratories of teaching and learning" as a means of fostering educational innovations for implementation statewide.

[Acts 2002, ch. 850, § 2; 2004, ch. 832, § 4; 2009, ch. 555, § 4.]

Tenn. Code Ann. § 49-13-103. Application. —

This chapter applies only to schools formed and operated in accordance with this chapter.

Tenn. Code Ann. §49-13-104 Definitions -

As used in this chapter:

(1) “Charter agreement” means a performance-based agreement between the sponsor of a public charter school and the chartering authority, the terms of which are approved by the chartering authority for an initial period of ten (10) years;

(2) “Chartering authority” means the local board of education that approves, renews or decides not to revoke a public charter school application or agreement;

(3) “Governing body” means the organized group of persons who will operate a public charter school by deciding matters, including, but not limited to, budgeting, curriculum and other operating procedures for the public charter school and by overseeing management and administration of a public charter school. The membership of a charter school's governing body shall include at least one (1) parent representative whose child is currently enrolled in the charter school. The parent representative shall be appointed by the governing body within six (6) months of the school's opening date;

(4) “Licensed teacher” means a person over the age of eighteen (18) who meets the qualifications of chapter 5, part 1 of this title and has received a license to teach in the public school system in compliance with the rules and regulations of the state board of education;

(5) “Local education agency” or “LEA” has the same definition as used in § 49-3-302;

(6) “Public charter school” means a public school in this state that is established and operating under the terms of a charter agreement and in accordance with this chapter; and

(7) “Sponsor” means any individual, group, or other organization filing an application in support of the establishment of a public charter school; provided, however, that a sponsor cannot be a for-profit entity, a private elementary or secondary school, a post-secondary institution not accredited by the Southern Association of Colleges and Schools, a religious or church school or promote the agenda of any religious denomination or religiously affiliated entity.

Tenn. Code Ann. §49-13-105 gives the sponsor of a proposed charter school the authority to apply to either the LEA or the commissioner of education for a waiver of any state board rule or statute that inhibits or hinders the proposed charter school’s ability to meet its goals or comply with its mission statement. Please note that LEAs also have the right to apply to the commissioner for a waiver of State Board rules but not statutes. The statute does include a list of laws and rules that may not be waived. This list contains statutes and rules related to:

- Federal and state civil rights;
- Federal, state, and local health and safety;
- Federal and state public records;
- Immunizations;
- Possession of weapons on school grounds;
- Background checks and fingerprinting of personnel;
- Federal and state special education services;

- Student due process;
- Parental rights;
- Federal and state student assessment and accountability;
- Open meetings; and
- At least the same equivalent time of instruction as required in regular public schools.

Tenn. Code Ann. §49-13-106 specifies how new charter schools may be created and how schools may be converted to charter schools. Tenn. Code Ann. §49-13-106(b) (2) describes the procedures for converting schools to charter schools. Three conversion options are listed:

- Option 1: Pursuant to Tenn. Code Ann. §49-13-106(b) (2) (A), the school may convert if 60% of the parents and 60% of the teachers assigned to the school agree and sign petitions for conversion and the LEA agrees to convert.
- Option 2: Pursuant to Tenn. Code Ann. §49-13-106(b) (2) (B) and subject to Tenn. Code Ann. §49-13-106(a) (1) (B), a LEA may convert an eligible public school to a public charter school.
- Option 3: Pursuant to Tenn. Code Ann. §49-13-106(b) (2) (E), “a public school in Restructuring 2-Alternative governance under §49-1-602(g), at the option of the commissioner of education, may be converted to a public charter school. If the commissioner selects this option for the school, then during the fifth year of improvement status, the commissioner is authorized to solicit applications for the conversion of the school to a charter school. Applications for conversion of a school may be submitted to the commissioner of education by any entity that qualifies as a sponsor of a charter school under §49-13-104 or by the LEA. If the commissioner, with the advice of the state board of education, approves an application for conversion the school to a charter school, the school shall become a public charter school at the beginning of the school year following the fifth year of improvement status. If no charter application is submitted to the commissioner, the commissioner may direct the LEA to submit a charter application for conversion of the school so that the school may commence operation as a charter school at the beginning of the school year following the fifth year of improvement status. Parents whose children are enrolled at the school shall have the option to enroll their children in another public school without penalty.” The last part of subsection (E) is confusing. It states that if the commissioner receives no conversion applications, the LEA may submit charter conversion applications. However, even if the LEA submits an application, a separate entity from the LEA must be the governing body. This was clarified by the Attorney General in attached opinion 09-159.

Tenn. Code Ann. §49-13-107 Application Process -

On or before October 1 of the year preceding the year in which the proposed public charter school plans to begin operation, the sponsor seeking to establish a public charter school shall prepare and file with the local board of education an application providing the following information and documents:

- (1) A statement defining the mission and goals of the proposed public charter school;

(2) The proposed instructional goals and methods for the school, which, at a minimum, shall include teaching and classroom instruction methods that will be used to provide students with the knowledge, proficiency and skills needed to reach the goals of the school;

(3) A plan for evaluating student academic achievement at the proposed public charter school and the procedures for remedial action that will be used by the school when the academic achievement of a student falls below acceptable standards;

(4) An operating budget based on anticipated enrollment;

(5) The method for conducting annual audits of the financial, administrative and program operations of the school;

(6) A timetable for commencing operations as a public charter school that shall provide for a minimum number of academic instruction days, which shall not be fewer than those required by statute;

(7) The proposed rules and policies for governance and operation of the school;

(8) The names and addresses of the members of the governing body;

(9) A description of the anticipated student enrollment and the nondiscriminatory admission policies;

(10) The code of behavior and discipline of the proposed public charter school;

(11) The plan for compliance with the applicable health and safety laws and regulations of the federal government and the laws of the state;

(12) The qualifications required of employees of the proposed public charter school;

(13) The identification of the individuals and entities sponsoring the proposed public charter school, including their names and addresses;

(14) The procedures governing the deposit and investment of idle funds, purchasing procedures and comprehensive travel regulations;

(15) The plan for the management and administration of the school;

(16) A copy of the proposed bylaws of the governing body of the charter school;

(17) A statement of assurance of liability by the governing body of the charter school;

(18) Types and amounts of insurance coverage to be held either by the charter school or approved by the local board of education, including provisions for assuring that the insurance provider will notify the department of education within ten (10) days of the cancellation of any insurance it carries on the charter school;

(19) The plan for transportation for the pupils attending the charter school; and

(20) Information regarding financing commitments from equity investors or debt sources for cash or similar liquid assets sufficient to demonstrate that the charter school will have liquid assets sufficiently available to operate the school on an ongoing and sound financial basis. In lieu of cash or similar liquid assets, an applicant may provide a financial bond issued by a company authorized to issue surety bonds in this state.

Tenn. Code Ann. §49-13-108 describes the process for approval or denial of an application: This section shall apply only to applications for new charter schools under § 49-13-106(b)(1).

(1) The local board of education shall have the authority to approve applications to establish public charter schools and renew public charter school agreements. The local board of education shall rule by resolution, at a regular or special called meeting, on the approval or denial of a charter application within sixty (60) days of receipt of the completed application. Should the local board of education fail to either approve or deny a charter application within the sixty (60) day time limit prescribed in this subdivision (1), the application shall be deemed approved.

(2) The local board of education shall not deny an application on the basis that approval of the application might exceed the maximum number of public charter schools provided for in § 49-13-106. The grounds upon which the local board of education based a decision to deny a public charter school application must be stated in writing, specifying objective reasons for the denial. Upon receipt of the grounds for denial, the sponsor shall have fifteen (15) days within which to submit an amended application to correct the deficiencies. The local board of education shall have fifteen (15) days either to deny or to approve the amended application.

(3) A denial by the local board of education of an application to establish a public charter school may be appealed by the sponsor, within ten (10) days of the final decision to deny, to the state board of education. The appeal and review process shall be in accordance with this subdivision (3). Within sixty (60) days after receipt of the notice of appeal or the making of a motion to review by the state board and after reasonable public notice, the state board, at a public hearing attended by the board or its designated representative and held in the school district in which the proposed charter school has applied for a charter, shall review the decision of the local board of education and make its findings. If the state board finds that the local board's decision was contrary to the best interests of the pupils, school district or community, the state board shall remand the decision to the local board of education with written instructions for approval of the charter. The decision of the state board shall be final and not subject to appeal. The LEA, however, shall be the chartering authority.

[Acts 2002, ch. 850, § 8; 2009, ch. 555, § 7.]

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Tenn. Code Ann. §49-13-109. Applicable caps. —

Immediately upon approval of a charter, the chartering authority shall notify the department of education. The date of the official action by the chartering authority shall be considered by the department in determining whether the charter is permitted under the applicable caps contained in this chapter.

Tenn. Code Ann. §49-13-110 Charter Agreement -

(a) The approval by the chartering authority of a public charter school application shall be in the form of a written agreement signed by the sponsor and the chartering authority, which shall be binding upon the governing body of the public charter school. The charter agreement for a public charter school shall be in writing and contain all components of the application.

(b) The governing body of the charter school may amend the original charter by making petition to the chartering authority. Timelines for approval and the appeal process in § 49-13-108 shall apply to all petitions to amend the original charter. The governing body of a charter school may also request the chartering authority to allow a voluntary termination of the charter school prior to the expiration of the charter.

(c) (1) Upon dissolution of a charter school for any reason or if a charter is not renewed, any unencumbered public funds from the charter school shall revert to the LEA. In the event that a charter school is dissolved or otherwise terminated, all LEA property and improvements, furnishings and equipment purchased with public funds shall automatically revert to full ownership by the LEA, subject to complete satisfaction of any lawful liens or encumbrances.

(2) If a charter school is dissolved for any reason or a charter is not renewed, the charter school is responsible for all debts of the charter school. The LEA may not assume the debt from any contract for services made between the governing body of the school and a third party,

except for a debt that is previously detailed and agreed upon in writing by both the LEA and the governing body of the school and that may not reasonably be assumed to have been satisfied by the LEA.

Tenn. Code Ann. §49-13-111 Compliance -

a) A public charter school shall:

(1) Operate as a public, nonsectarian, nonreligious public school, with control of instruction vested in the governing body of the school under the general supervision of the chartering authority and in compliance with the charter agreement and this chapter;

(2) Meet the same performance standards and requirements adopted by the state board of education for public schools;

(3) Receive state, federal, and local funds from the local board of education;

(4) Provide special education services for students as provided in chapter 10 of this title; and

(5) Administer state assessments as provided in chapter 1, part 6 of this title.

(b) A public charter school shall be subject to all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry or need for special education services. A public charter school may not violate or be used to subvert any state or federal court orders in place in the local school district.

(c) (1) A public charter school shall comply with all applicable health and safety standards, regulations and laws of the United States and this state.

(2) The governing body of a public charter school shall ensure that the public charter school provides parents and guardians with information about meningococcal disease and the effectiveness of vaccination against meningococcal disease at the beginning of every school year. This information shall include the causes, symptoms, and the means by which meningococcal disease is spread and the places where parents and guardians may obtain additional information and vaccinations for their children. Nothing in this subdivision (c)(2) shall be construed to require a public charter school or its governing body to provide or purchase vaccine against meningococcal disease.

(d) A public charter school shall be accountable to the chartering authority for the purposes of ensuring compliance with the charter agreement and the requirements of this chapter.

(e) All contracts for goods and services in excess of five thousand dollars (\$5,000) shall be bid and must be approved by the governing body of each public charter school.

(f) A public charter school shall be governed and managed by a governing body in a manner agreed to by the sponsor and the chartering authority as provided in the charter agreement.

(g) With regard to conflicts of interest, the governing body of a public charter school shall be subject to the provisions of §§ 12-4-101 and 12-4-102.

(h) The meetings of the governing body of a public charter school shall be deemed public business and must be held in compliance with title 8, chapter 44, part 1.

(i) All teachers in a public charter school must have a current valid Tennessee teaching license or meet the minimum requirements for licensure as defined by the state board of education.

(j) A public charter school is subject to state audit procedures and audit requirements.

(k) A public charter school shall not charge tuition; provided, however, that tuition may be charged if the governing body of the charter school approves a transfer from another district to a public charter school in its district pursuant to the provisions of § 49-6-3003.

(l) A public charter school shall be operated on a July 1 to June 30 fiscal year and the governing body shall adopt and operate under an annual budget for the fiscal year. The budget shall be prepared in the same format as that required by the state department of education for LEAs.

(m) A public charter school shall maintain its accounts and records in accordance with generally accepted accounting principles and in conformance with the uniform chart of accounts and accounting requirements prescribed by the comptroller of the treasury. The charter school shall prepare and publish an annual financial report that encompasses all funds. The annual financial report shall include the audited financial statements of the charter school.

(n) A public charter school shall require any member of the governing body, employee, officer or other authorized person who receives funds, has access to funds, or has authority to make expenditures from funds, to give a surety bond in the form prescribed by § 8-19-101. The cost of the surety bond shall be paid by the charter school and shall be in an amount determined by the governing body.

Tenn. Code Ann. §49-13-112 describes how charter schools are to be funded:

(a) A local board of education shall allocate to the charter school an amount equal to the per student state and local funds received by the LEA and all appropriate allocations under federal law or regulation, including, but not limited to, Title I and ESEA funds. The allocation shall be in accordance with rules and regulations promulgated by the department of education. All funds received by a charter school shall be spent according to the budget submitted or as otherwise revised by the public charter school governing body, subject to the requirements of state and federal law. At the request of the charter school governing body, a local board of education may act as fiscal agent for a public charter school in accordance with the charter agreement and applicable state and federal law.

(b) The department of education shall promulgate rules and regulations that provide for the determination of the allocation of state and local funds as provided in subsection (a). The department shall promulgate the rules and regulations effective for the 2010-2011 school years. Notwithstanding § 4-5-209, any rules promulgated under this subsection (b) may be promulgated as emergency rules in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, part 2. At a minimum, the rules shall provide that:

(1) Allocations shall be based on one hundred percent (100%) of state and local funds received by the LEA, including current funds allocated for capital outlay purposes, excluding the proceeds of debt obligations and associated debt service;

(2) Student enrollments used in allocations shall be for the same period used in allocating state funds to the LEA under the basic education program (BEP); and

(3) Allocations to the charter school may not be reduced by the LEA for administrative, indirect or any other category of cost or charge except as specifically provided in a charter agreement.

(c) (1) Notwithstanding any provisions of chapter 3, part 3 of this title or this section to the contrary, the department of education shall calculate the amount of state funding required under

the BEP for capital outlay as a non-classroom component to be received in a fiscal year by an LEA in which one (1) or more charter schools operate. The department shall reserve from the sum for such LEA the funds that constitute the amount due to charter schools operating in the LEA and shall not distribute such reserved amount to the LEA. The department shall distribute from the reserved amount directly to each charter school its total per pupil share as determined by its average daily membership (ADM). The per pupil share of each charter school shall be based on prior year ADM, except that the per pupil share of any charter school in its first year of operation shall be based on the anticipated enrollment in the charter agreement.

(2) Although the BEP does not require LEAs to expend specific amounts for the individual components by which the funds were generated, the per pupil funding required to be paid directly by the department to a charter school under this subsection (c) shall be used solely for charter school facilities. Such per pupil facilities aid may be used for rent for school facilities, construction, renovation of an existing school facility, leasehold improvements, debt service on a school facility or purchase of a building or land; provided, that no such funds shall be expended for purchase of land when the charter school does not have immediate plans to construct a building on the land.

(3) Notwithstanding subdivision (c)(1), the LEA shall include in the local share of funds paid to a charter school the required LEA match for the state funds generated under the BEP for capital outlay as a non-classroom component that are paid under this subsection (c) directly to a charter school as per pupil facilities aid.

(d) In order to comply with the requirements for allocating funds to the public charter school, the local board of education may provide liability or other forms of insurance pursuant to the charter agreement.

(e) A public charter school may also be funded by:

(1) (A) Federal grants;

(B) Grants, gifts, devises or donations from any private sources;

(C) State funds appropriated for the support of the public charter school, if any; and

(D) Any other funds that may be received by the local school district.

(2) Receipt of any such funds shall be reported to the chartering authority. Public charter schools, the local board of education and the state department of education are encouraged to apply for federal funds appropriated specifically for the support of public charter schools.

Tenn. Code Ann. §49-13-113 Enrollment –

(a) Participation in a public charter school shall be based on parental choice or the choice of the legal guardian or custodian.

(b) (1) A charter school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level or building.

(2) (A) If applications exceed the planned capacity of the public charter school, the following preferences shall apply:

(i) Pupils in attendance in the previous school year at any public school that converts to become a public charter school;

(ii) Pupils attending public schools within the LEA in which the public charter school is located, if those pupils would otherwise be included in the area in which the public charter school will focus;

(iii) Children residing within the LEA service area in which the public charter school is located, but who are not enrolled in public schools, if those children would otherwise be included in the area in which the public charter school will focus; and

(iv) Children residing outside the LEA in which the public charter school is located and whose needs would be included in the area in which the public charter school will focus.

(B) If enrollment within a group of preference set out in subdivision (b)(2)(A) exceeds the planned capacity of the school, enrollment within that group shall be determined on the basis of a lottery.

(c) Subject to the requirements of subsections (a) and (b), preference may be afforded to the siblings of a pupil who is already enrolled and to the children of a teacher, sponsor or member of the governing body of the charter school, not to exceed ten percent (10%) of total enrollment or twenty-five (25) students, whichever is less.

(d) (1) Notwithstanding provisions of subsections (b) and (c) to the contrary, a charter school shall conduct an initial student application period of at least thirty (30) days. During the initial student application period, students meeting the requirements of § 49-13-106(a)(1)(A)-(D) shall be given priority. If the number of students seeking to be enrolled who meet the requirements of § 49-13-106(a)(1)(A)-(D) exceeds the school's capacity or the capacity of a program, class, grade level or building, then the enrollment of students meeting the requirements of § 49-13-106(a)(1)(B)-(D) shall be determined on the basis of a lottery. If the number of students seeking to be enrolled who meet the requirements of § 49-13-106(a)(1)(A)-(D) does not exceed the capacity of a program, class, grade level or building, then, after the initial student application period, the charter school may enroll students in such program, class, grade level or building who meet the requirements of § 49-13-106(a)(1)(E). If the number of students seeking to be enrolled who meet the requirements of § 49-13-106(a)(1)(E) exceeds the school's capacity or the capacity of a program, class, grade level or building remaining after the initial student application period has ended, then enrollment for students meeting the requirements of § 49-13-106(a)(1)(E) shall be determined on the basis of a lottery. Any lottery required to be conducted under this subsection (d) shall be conducted within seven (7) days after the end of the initial student application period. After the initial student application period, a charter school with unfilled capacity in a program, class, grade level or building may enroll any student seeking enrollment in the program, class, grade level or building who meets the requirements of § 49-13-106(a)(1)(A)-(E).

(2) A charter school shall provide to the department of education certification by an independent accounting firm or by a law firm that each lottery conducted for enrollment purposes complied with the requirements of this subsection (d). In lieu of such certification, a charter school may request that the department of education review and approve the lottery process.

(3) The charter school shall comply with the Family Education Rights and Privacy Act, codified in 20 U.S.C. § 1232g, with respect to the publication of any list of students' names before, during or after the enrollment and lottery process.

(4) This subsection (d) shall only apply in LEAs in which students are eligible to enroll in charter schools pursuant to § 49-13-106(a)(1)(E).

(5) The state board of education shall promulgate rules and regulations concerning enrollment lotteries to be conducted under this subsection (d). The rules and regulations shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

Tenn. Code Ann. §49-13-114. Transportation. —

(a) If a public charter school elects to provide transportation for its pupils, the transportation shall be provided by the school or by agreement with the LEA within the district in which the school is located in the same manner it would be provided if the students were enrolled in any other school within the LEA. If a public charter school elects not to provide transportation for its pupils, the school shall not receive the funds that would otherwise have been spent to do so.

(b) For pupils who reside outside the district and who have been approved by the governing board of a charter school to attend a public charter school, the school is not required to provide or pay for transportation.

(c) At the time a pupil enrolls in a public charter school, the school shall provide the child's parent or guardian with information regarding transportation.

(d) Both the school and the LEA in which the school is located shall include in their annual reports what transportation plans are in effect for charter schools.

Tenn. Code Ann. §49-13-115 Conditional Approval –

If approval is a prerequisite for the sponsor to raise working capital, a chartering authority may grant conditional approval for a charter application. The chartering authority shall grant full approval subject to the sponsor providing information regarding financing commitments from equity investors or debt sources for cash or working capital sufficient to demonstrate that the charter school will have liquid assets sufficiently available to operate the school on an ongoing and sound financial basis. In lieu of cash or similar liquid assets, an applicant may provide a financial bond issued by a company authorized to issue surety bonds in this state. The office of the comptroller shall verify the adequacy of any financial bond provided as assets.

Tenn. Code Ann. §49-13-116. Information on charter schools. —

(a) The state department of education shall provide information to the public, directly and through the local board of education, on how to form and operate a public charter school. This information shall include a standard application format, which shall include the information specified in § 49-13-107.

(b) The state department of education shall monitor the status of charter school applications and shall maintain information on the total number of charter school applications, total number of charter school applications granted by type of school, total number of charter school applications denied and total number of charter school applications appealed and the status or outcome of the appeals.

Tenn. Code Ann. §49-13-117 Leaves of absence for teachers –

(a) If a teacher employed by an LEA makes a written request for an extended leave of absence to teach at a public charter school, the LEA may grant the leave. Any extensions are at the discretion of the LEA. The leave shall be governed by chapter 5, part 7 of this title, including, but not limited to, reinstatement, notice of intention to return, seniority, salary and insurance.

(b) The years of service acquired by a teacher while on a leave of absence to teach at a public charter school may, at the discretion of the local board, be used to obtain or determine tenure status.

(c) For salary rating purposes, a teacher shall receive credit for years of service acquired while teaching at a public charter school.

Tenn. Code Ann. §49-13-118 Bargaining units. —

Employees of a charter school may, if otherwise eligible, organize under the Education Professional Negotiations Act, compiled in chapter 5, part 6 of this title, and comply with its provisions upon the formation of one (1) or more bargaining units at the school. Bargaining units at the school shall be separate from any other unit within the LEA. Bargaining units in charter schools may elect to represent themselves in negotiations with their governing body, or they may elect to be represented by any qualified person or organization, including the local bargaining unit within the LEA. Bargaining units in charter schools can bargain only with the governing board of the charter school and not with the board of the LEA.

Tenn. Code Ann. §49-13-119 Group insurance. —

Teachers, as defined in § 8-34-101, of a public charter school shall participate in the group insurance plans authorized in title 8, chapter 27, part 3 in the same manner as teachers of the LEA.

Tenn. Code Ann. §49-13-120 lists the reporting requirements of charter schools:

(a) The governing body of the public charter school shall make at least an annual progress report to the sponsor of the school, the chartering authority and the commissioner of education. The report shall contain at least the following information:

(1) The progress of the school towards achieving the goals outlined in its charter;

(2) The same information required in the reports prepared by local boards of education pursuant to state laws, rules and regulations; and

(3) Financial records of the school, including revenues and expenditures.

(b) The reports made pursuant to subsection (a) shall be public information pursuant to the provisions of § 10-7-504(a)(4). Based on the information provided to the commissioner of education under subsection (a), the commissioner shall prepare and submit an annual report on charter schools to the joint oversight committee on education.

(c) Each charter school shall provide in the report required under subsection (a) a detailed accounting, including the amounts and sources, of funds other than those funds received under § 49-13-112(a). The funds shall include, but not be limited to, any funds received from sources under § 49-13-112(e).

Tenn. Code Ann. §49-13-121 Term of charter — Renewal. —

(a) New public charter schools, conversion schools and all renewals of charter agreements shall be for ten-year periods.

(b) No later than October 1 of the year prior to the year in which the charter expires, the governing body of a public charter school shall submit a renewal application to the chartering authority. The chartering authority shall rule by resolution, at a regular or special called meeting, on whether to approve or deny the renewal application. The decision of the chartering authority shall be based on the report and evaluation provided for in § 49-13-120. If the original charter application was appealable to the state board of education, a decision by the chartering authority to deny renewal may be appealed by the governing body, within ten (10) days of the decision to deny, to the state board of education. If the state board of education directs the LEA to approve the renewal of the charter agreement, the public charter school shall continue to operate for the prescribed period of ten (10) academic years. A decision by the state board of education to deny the renewal of a charter agreement shall be final. No appeal may be taken.

(c) A public charter school renewal application shall contain a report of the school's operations, including students' standardized test scores, financial statements and performance audits of the nine (9) years preceding the date of the renewal application. The department of education shall develop guidelines that govern the charter renewal application process.

(d) An interim review of a charter school shall be conducted by the LEA under guidelines developed by the department of education in the fifth year of a charter school's initial period of operation and also in the fifth year following any renewal of a charter agreement. Such guidelines shall require a charter school to submit to the LEA a report on the progress of the school in achieving the goals, objectives, pupil performance standards, content standards and other terms of the approved charter agreement.

Tenn. Code Ann. §49-13-122 lists when a charter school agreement may be revoked and how it may be renewed:

A public charter school agreement may be revoked or denied renewal by the final chartering authority if the chartering authority determines that the school did any of the following:

(1) Committed a material violation of any of the conditions, standards or procedures set forth in the charter;

(2) Failed to meet or make adequate yearly progress toward achievement of the state's accountability system; or

(3) Failed to meet generally accepted standards of fiscal management.

(b) If the chartering authority revokes or does not renew a charter agreement, the chartering authority shall state its reasons for the revocation or nonrenewal.

(c) A decision not to renew or to revoke a charter agreement may be appealed to the state board of education within ten (10) days of the decision, except for revocations or failures to renew based on any of the violations specified in subsection (d). State board appeals shall be handled on the same basis as provided in § 49-13-108.

(d) Except in the case of fraud, misappropriation of funds, flagrant disregard of the charter agreement or the provisions of this chapter or similar misconduct, or failure to make adequate yearly progress for two (2) consecutive years, a decision to revoke a charter shall become effective at the close of the academic year.

Tenn. Code Ann. §49-13-123. Enrollment of students in terminated charter school. —

If a charter agreement is not renewed or is terminated in accordance with § 49-13-122, a pupil who attended the school, siblings of the pupil, or another pupil who resides in the same place as the pupil may enroll in the resident district or may submit an application to a nonresident district according to § 49-6-3105 at any time. Applications and notices required by this section shall be

processed and approved in a prompt manner.

Tenn. Code Ann. §49-13-124 Charter school powers. —

(a) The governing body of a public charter school may sue and be sued. The governing body may not levy taxes or issue bonds except in accordance with state law. A public charter school may conduct activities necessary and appropriate to carry out its responsibilities such as:

(1) Contract for services, except for the management or operation of the charter school by a for-profit entity;

(2) Buy, sell or lease property;

(3) Borrow funds as needed; and

(4) Pledge its assets as security; provided, however, that those assets are not leased or loaned by the state or local government.

(b) The chartering authority may endorse the submission of the school credit bond application to the local taxing authority, if the project is a qualified project under § 54E(c)(2) or § 54F(d)(1) of the Internal Revenue Code of 1986, codified in 26 U.S.C. § 54E(c)(2) and 26 U.S.C. § 54F(d)(1), respectively, and the Tennessee State School Bond Authority Act, compiled in chapter 3, part 12 of this title, and with respect to § 54E(c)(2), the applicant can demonstrate that the applicant meets the ten percent (10%) matching funds requirement, as prescribed by § 54E(c)(2).

Tenn. Code Ann. §49-13-125. Immunity. —

The governing body of a charter school shall be subject to the same limits of liability as local school systems and shall provide insurance in accordance with § 49-13-107 for any liability

exposure.

Tenn. Code Ann. §49-13-126 gives the State Board of Education authority to promulgate rules and regulations for the administration of the charter school law. Current effective rules are provided separately.

Tenn. Code Ann. §49-13-127. Audits. —

(a) The comptroller of the treasury is authorized to audit any books and records, including internal school activity and cafeteria funds, of any charter school created under this chapter and by virtue of the statutes of this state when the audit is deemed necessary or appropriate by the comptroller of the treasury. The comptroller of the treasury shall have the full cooperation of officials of the charter school in the performance of the audit or audits.

(b) (1) The governing body of the charter school shall cause an annual audit to be made of the accounts and records, including internal school activity and cafeteria funds, of their school. The audits may be prepared by certified public accountants or by the department of audit.

(2) The audit shall be completed as soon as practical after June 30 of each year and a copy of the audit shall be furnished to the local board of education, the special joint oversight committee on education, the commissioner of education and the comptroller of the treasury.

(c) The comptroller of the treasury, through the department of audit, shall be responsible for ensuring that the audits are prepared in accordance with generally accepted auditing standards and determining if the audits meet minimum audit standards and regulations, which shall be prescribed by the comptroller of the treasury. No audit may be accepted as meeting the requirements of this section until the audit has been approved by the comptroller of the treasury. In the event the governing body fails or refuses to have the audit prepared, then the comptroller of the treasury may appoint a certified public accountant or direct the department of audit to prepare the audit. The cost of the audit shall be paid by the governing body.

Tenn. Code Ann. §49-13-128. [Obsolete.]

Tenn. Code Ann. §49-13-129. Study and evaluation of chapter — Appointment of task force. —

The comptroller of the treasury, in consultation with the Tennessee department of education and the state board of education, shall appoint a task force to study and evaluate this chapter, to address, including, but not limited to, statutory inconsistencies and technical issues, fiscal issues, administrative compliance, identification and communication of charter schools' best practices, facility needs, transportation, food services, communication between LEAs and charter schools' boards, principals and administrative staff and employee benefits and charter school boards' accountability. The task force shall include, as a minimum, two (2) representatives from each LEA with approved and operational charter schools, two (2) charter school representatives selected by the Tennessee charter schools association, two (2) charter school parent representatives, and one (1) representative each from the department of education and state board of education and one (1) community representative from each grand division of the state. The comptroller shall report the task force's findings and recommendations, including recommended legislation or rules, to the general assembly by February 2, 2010.

Tenn. Code Ann. §49-13-130. Reenactment and repeal of provisions of chapter relating to the creation of new public charter schools. —

In accordance with Acts 2002, ch. 850, § 29, the provisions of this chapter related to the creation of new public charter schools are re-enacted and extended until July 1, 2015, at which time the provisions shall be repealed.

Tenn. Code Ann. §49-13-131. Identification and implementation of system for dissemination of charter school most promising practices. —

The department of education, in collaboration and cooperation with charter schools, shall identify charter school most promising practices and implement a system for dissemination of such practices. The system shall include identification of those schools that could benefit most directly from innovative practices in charter schools. The system of dissemination shall allow LEAs across the state and traditional public schools to learn from charter schools' most

promising practices.

Tenn. Code Ann. §49-13-132 Adoption of dates and timelines for applications for conversion of schools in Restructuring 2 — Alternative Governance to charter schools. —

Notwithstanding any provision of this chapter to the contrary, the commissioner of education may adopt dates and timelines for submitting applications and processing applications as the commissioner finds necessary to expedite the process of conversion of a school to a charter school in Restructuring 2 — Alternative Governance under § 49-1-602.

Tenn. Code Ann. §49-13-133. Student tracking system to track students who leave charter schools — Report to general assembly. —

The department of education shall develop a student tracking system to be used to track students who leave charter schools. The system shall show when and why the student left the charter school. The system may be modeled on the current tracking system used to determine high school dropout rates. A charter school shall report the data required by the tracking system to the LEA. The department shall include such data in its annual report on charter schools required under § 49-13-120.

OTHER LAWS THAT PROMOTE INNOVATIVE SCHOOLS

T.C.A. 49-15-101 et seq., allows LEAs to partner with post-secondary institutions to establish innovative high schools. These schools are specifically given the same statutory and regulatory waiver option as charter schools (T.C.A. 49-15-106(g)). (In effect, these laws give LEAs all the authority and options with non-chartered high schools that public charter school boards have.):

49-15-101. Purpose — Requirements of programs. —

(a) The purpose of this chapter is to authorize public postsecondary institutions and LEAs to jointly establish cooperative innovative programs in high schools and public postsecondary institutions, including, but not limited to, universities, community colleges and technology centers, that will expand students' opportunities for educational success through high quality instructional programming. These cooperative innovative high school programs shall target:

(1) High school students who are at risk of dropping out of school before attaining a high school diploma; or

(2) High school students who would benefit from accelerated academic instruction.

(b) All cooperative innovative high school programs established under this chapter shall:

(1) Prepare students adequately for future learning in the workforce or in an institution of higher education;

(2) Expand students' educational opportunities within the public school system;

(3) Be centered on the core academic standards represented by the preparatory pathway as defined by the state board of education that will adequately prepare the student to enter postsecondary education or the workplace without academic remediation;

(4) Encourage the cooperative or shared use of resources, personnel and facilities between public schools and postsecondary institutions;

(5) Integrate and emphasize both academic and technical skills necessary for students to be successful in a more demanding and changing workplace;

(6) Emphasize parental involvement and provide consistent counseling, advising and parent conferencing at the secondary level so that parents and students can make responsible decisions regarding course taking and can track the students' academic progress and success;

(7) Be held accountable for meeting measurable student achievement results as established by the state board of education, the University of Tennessee system, and the Tennessee board of regents;

(8) Encourage the use of different and innovative teaching methods;

(9) Establish joint institutional responsibility and accountability for support of students and their success;

(10) Effectively utilize existing funding sources for high school, college, university and career and technical programs and actively pursue new funding from other sources;

(11) Develop methods for early identification of potential participating students in the middle grades through high school; and

(12) Reduce the percentage of students needing remedial courses upon their initial entry from high school into a postsecondary institution.

(c) Programs developed under this chapter that target students who are at risk of dropping out

of high school before attaining a high school diploma shall:

(1) Provide these students with the opportunity to graduate from high school possessing the core academic skills needed for postsecondary education and high-skilled employment;

(2) Enable students to complete a technical or academic program in a field that is in high demand and has high wages;

(3) Set and achieve goals that significantly reduce dropout rates and raise high school and college retention, certification and degree completion rates; and

(4) Enable students who complete these programs to pass employer exams, if applicable.

(d) Cooperative innovative high school programs that offer accelerated learning programs shall:

(1) Provide a flexible, customized program of instruction for students who would benefit from accelerated, higher level coursework or early graduation from high school;

(2) Enable students to obtain a high school diploma in less than four (4) years, to begin or complete an associate degree program, to master a certificate or diploma in a career or technical program or to earn up to two (2) years of postsecondary credit; and

(3) Offer a college preparatory academic core and in-depth studies in a career or technical field that will lead to advanced programs or employment opportunities in engineering, health sciences or teaching.

(e) Cooperative innovative high school programs may include, but shall not be limited to, the creation of a school within a school, a technical high school or a high school or technical center located on the campus of a postsecondary institution.

(f) Students shall be eligible to attend these programs as early as the ninth grade.

[Acts 2007, ch. 459, § 1.]

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T.C.A. 49-1-207 gives LEAs authority to develop innovative educational programs, and allows the commissioner to waive any state rule to facilitate such programs:

49-1-207. Innovative educational programs. —

(a) The commissioner of education may authorize up to twenty-four (24) school systems or any part thereof to operate as innovative educational programs that emphasize school-based decision making and the creation of small learning communities. Upon authorization of the local board of education, the director of schools on behalf of the school system or the principal on behalf of an individual public school may apply to the commissioner to operate the system or school in accordance with an alternative plan approved under this section by the commissioner. The principal may be authorized by the principal's performance contract to develop such a plan. Prior to application, the principal shall consult with the principal's faculty. Subject to the implementation and funding of the relevant federal program, additional individual schools that emphasize school-based decision making may be approved.

(b) The schools and systems shall be distributed throughout the state and not concentrated in any grand division. The commissioner has the discretion to approve the entire alternative plan or any part of it.

(c) (1) The commissioner, in the commissioner's discretion, is authorized to waive any rules and regulations necessary to accommodate the implementation of a local plan. In exercising such discretion, the commissioner shall consider whether the proposed waiver will improve the educational opportunities and performance of the subject students by the application of a nonconventional curriculum and operational methods in innovative school programs developed by the use of local initiative and decision making.

(2) In these alternative programs, the commissioner may waive certain rules and regulations,

including, but not limited to, regulations relative to reporting requirements and premium pay for educators, without giving rise to any contractual right to such pay.

(3) The commissioner of education shall only be authorized to waive regulations relative to health and safety after consultation with either the commissioner of health or the state fire marshal, or both, as appropriate. The commissioner of health or the state fire marshal, as appropriate, must determine that the proposed waiver does not constitute a threat to the health and safety of students and staff and must notify the commissioner of education in writing of such determination.

(d) No local plan approved by the commissioner of education shall reduce the level of state funding to an LEA under this title.

(e) At any time before the end of an approved alternative plan, the school principal on behalf of the principal's school or the local board of education acting through the director of schools may elect to terminate the alternative program and to return to operation under all applicable rules and regulations. The principal or the director of schools shall provide thirty (30) days' notice to the commissioner of an intent to withdraw from the alternative program.

(f) A local school board shall comply with the open meetings law, compiled in title [8](#), chapter 44, when it considers any alternative plan under this section.

(g) This section shall not be construed to impact agreements negotiated under the Educational Professional Negotiations Act, compiled in chapter 5, part 6 of this title.

(h) A school operating an innovative education program in accordance with this section is not a charter school and cannot convert to a charter school after being authorized under this section to conduct an innovative education program.

[Acts 1990, ch. 648, § 1; 2004, ch. 832, §§ 5, 6, 7.]

T.C.A. 49-13-134 encourages LEAs to pursue non-charter innovative schools using federal funding.

49-13-134. Establishment of non-charter public schools of innovation. —

LEAs in which there exist charter schools or in which charter schools are proposed to be created are strongly encouraged to establish non-charter public schools of innovation using federal funding that is available for such purpose. Such non-charter public schools shall be designed to function as a control group to enable the effectiveness of charter schools to be more adequately assessed through comparative evaluations.

Tennessee Race to the Top – Appendix F-2-3

COMMUNITY COLLABORATION ON CHARTER SCHOOLS

In Tennessee, unlike in many other regions in the country, the conversation around charter schools has shifted from one about competition to one about partnership. Our large urban LEAs have begun to view charters as strategic partners and valuable tools for serving students and areas that have historically struggled with academic achievement. We expect that the collaboration between LEAs, charter operators, and state agencies will significantly increase over the grant period, and that partnerships will become more formalized.

- In Memphis:
 - Seven charter schools have been started by community development corporations or youth development non-profits, with support from the philanthropic and business community.
 - Tennessee’s first charter school was launched by the Memphis Bioworks Foundation (an economic engine for Memphis in the biosciences), with the goal of preparing more of our students for careers in science and engineering.
 - A south Memphis charter school was incubated by a music foundation, The Soulsville Foundation, to not only create a college preparatory environment, but also to enable students to appreciate and participate in the city’s rich musical heritage.
 - Three charter schools are taking advantage of underutilized space provided by the district.
- In Nashville:
 - A charter network was launched with the help of a highly successful network in Houston (YES College Prep), and with the help of a number of philanthropic and business leaders.
 - Another network was started from a youth development organization in partnership with community leaders.
 - The Mayor’s office in Nashville recently announced the launch of a charter incubator which will help attract talented, national charter operators to the city (as well as provide the needed support to models already in operation). Please see Appendix F-3-1.

- Metro Schools recently strengthened its charter office to take a more proactive approach in helping promising charter operators launch and sustain their organizations.
- The Tennessee Charter Schools Association (based in Nashville) has been in operation since 1998 and has continued to provide advocacy and grassroots support for better charter policies and regulations, and provide technical assistance to charter operators throughout the state.

MAYOR ANNOUNCES STATEWIDE CHARTER SCHOOL INCUBATOR

‘Center for Charter School Excellence in Tennessee’ to be developed by charter school expert from New Orleans

NASHVILLE, Tenn. (December 8, 2009) -



Matt Candler, project manager for the Center for Charter School Excellence in Tennessee, behind the podium. To the right, Principal of KIPP Academy Randy Dowell and Nashville Mayor Karl Dean.

Mayor Karl Dean announced plans today to develop one of the nation’s first charter school incubators to operate statewide.

The incubator, named the Center for Charter School Excellence in Tennessee, will support and help fund the development of high-performing public charter schools in Metro Nashville, and expand to provide charter school incubation support in school districts across the state within three years.

“During the last State General Assembly, I, along with many others, strongly advocated for a state law that is more receptive to public charter schools,” Dean said. “The new law greatly expanded student eligibility for enrollment in charter schools and the number of charter schools allowed in Tennessee. We need to ensure that these schools are of the highest quality.”

Matt Candler, the former CEO of the successful charter school incubator New Schools for New Orleans, will lead the center’s startup as project manager. His work will include finding long-term leadership for the center.

“Matt is recognized as a leader in the field of public charter schools due to his longstanding work in New York City and New Orleans. His initial involvement will ensure the long-term success of the center,” Dean said.

Commissioner of the Tennessee Department of Education Dr. Tim Webb and Director of Metro Nashville Public Schools Dr. Jesse Register joined the mayor for today’s announcement and discussed the positive impact the center will have on education reform efforts in Nashville and Tennessee.

“Charter schools are an important partner in developing innovative practices and providing opportunities to serve low-performing students,” Webb said. “This incubator will help Nashville and the state deliver best practices to reform partners as we prepare all students to be college and career ready upon graduation.”

“We recognize the value of having high-quality and highly-effective charter schools that can help meet the diverse needs of students,” said Register. “By their very inception, charter schools require innovative and non-traditional instructional strategies and this incubator will help attract and build the very best not only for Nashville, but for districts across Tennessee.”

The center will partner with the national charter school development organization Building Excellent Schools to offer training through a year-long fellowship program for individuals seeking to become founders of high-performing public charter schools.

“Building Excellent Schools has developed a national reputation for creating excellent schools that prepare their kids for success in college,” Candler said. “The leaders they have trained are closing the achievement gap in dozens of schools across the country. We are honored to have them join us in the effort to close the achievement gap in Nashville and across Tennessee.”

The center will continue to provide support services for the new schools during their first year of operation, including interim assessments of student performance in all grades, governance training for board members, and operation and finance reviews.

In addition to supporting the development of public charter schools, the center will support the expansion of existing initiatives to improve teacher recruitment in Nashville.

“Great teachers are the backbone of any great school, so we will support Teach for America and The New Teacher Project as we build new schools, expanding their efforts in both our public charter and traditional schools,” Candler said.

To ensure its long-term viability, the center will be set up as an independent nonprofit organization. It will be initially funded through the Education First Fund of the Community Foundation of Middle Tennessee, which Dean established last year to provide private financial support for new education reform efforts in Nashville.

Tennessee Race to the Top – Appendix F-3-2

INNOVATIVE TEACHER COMPENSATION PROGRAMS

Teacher Advancement Program (TAP)

Originally developed by the Milken Family Foundation and currently run by the National Institute for Excellence in Teaching, TAP provides opportunities for teachers to earn more money and develop skills while in the classroom, with the goal of recruiting and retaining more high-quality teachers. TAP includes four key components:

1. **Multiple Career Paths** – TAP includes master and mentor teacher positions, which require more skill and more peer group involvement, and which have higher salaries than regular career teacher positions. TAP allows teachers to advance in their careers while remaining in the classroom; previously, teachers could attain higher salaries only through moving into administrative positions.
2. **Ongoing, Applied Professional Growth** – TAP requires school schedules to include regular times for teachers to meet, mentor, plan, and discuss with each other.
3. **Instructionally Focused Accountability** – TAP teacher evaluation is based on TAP Teaching Skills, Knowledge, and Responsibility Standards and on the academic growth of students.
4. **Performance-Based Compensation** – TAP bases teacher salaries on teachers' roles and responsibilities, evaluations, and student achievement.

In collaboration with the Great Schools Partnership, Knox County Public Schools piloted TAP in three of its schools in 2006. Mentor and master teachers receive annual stipends of \$2,500 and \$6,000 respectively. To encourage professional growth, TAP requires teachers from the same grade level or subject to hold weekly collaborative planning meetings. Teachers can earn bonuses of up to \$3,500 a year based on their performance, which is determined by a combination of their supervisor's evaluation, their individual classroom student achievement gains, and their school-wide student achievement gains.

The Benwood Initiative

“In the late 1990s, an independent think tank ranked all of the elementary and middle schools in Tennessee. Of 860 elementary schools, 9 of the 20 lowest-performing schools were in Hamilton County. These were urban schools enrolling minority children from low-income families. Virtually all of them qualified for the free- or reduced-lunch program.

Alarmed, the Benwood Foundation and the Public Education Foundation formed a partnership with Hamilton County schools, and the Benwood Initiative was launched in 2001. With a laser-like focus on literacy and teacher effectiveness, the effort has been funded by a \$5 million grant to PEF from the Benwood Foundation and a \$2.5 million match from PEF.

The results have been impressive.

- In the eight phase 1 “Benwood schools,” the percentage of third-graders passing the state reading exam jumped from 53% in 2003 to **78%** in 2008.
- In 2008, **72%** of Benwood (phase 1) third graders scored proficient or advanced in mathematics, up from 50% in 2003.
- Teacher retention improved steadily, and the credentials and experience of teachers in Benwood schools are now very similar to the rest of the district.

After seeing such strong results, the partners wanted to expand this success to benefit all schools in Hamilton County. To that end, the Benwood Foundation announced an additional \$7 million grant in July of 2007. These funds are continuing to support the work of the eight original Benwood Schools while also providing direct support for eight additional schools. And the lessons learned in all 16 Benwood schools are being spread throughout the County, thanks to networks of school leaders who meet year-round to share the best things happening in their schools.

Benwood Initiative: Results

- Benwood (phase 1) fifth-graders saw even more dramatic improvements in math, with **91%** passing the state exam in 2008. This is a big jump from 57% in 2003 and suggests a significant benefit from the model classroom teachers who work in grades 4 and 5.
- Similarly, fifth-grade reading scores have jumped from 62% passing in 2003 to **89%** in 2008.
- After one year of planning, eight of the sixteen Benwood II schools earned “**A**”s in all four subjects measured by Tennessee's Value-Added Assessment System (TVAAS).
- **Twelve** of the sixteen schools saw increases in the percentage of students scoring **advanced** in reading/language arts, and nine schools increased the percentage of students scoring **advanced** in math.
- In 2006, the Benwood Initiative was featured on the PBS NewsHour by education reporter John Merrow. Merrow was so impressed by his interview with eight Benwood teachers that he posted a podcast of that interview on his own website, Learning Matters.
- The Benwood Initiative has also been highlighted and praised by Education Week, Reader's Digest, the Tennessee House of Representatives, National Education Writers Association, Education Trust, Catalyst Chicago, former U.S. Secretary of Education Rod Paige, and the Washington Post.”¹

¹ <http://www.pefchattanooga.org/tabid/64/Default.aspx>