

## **Recommendations to the Texas Education Agency: Generation 25 New Charter Application (2020) September 9, 2019**

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### **INTRODUCTION**

The organizations represented on the following page endorse recommendations to the Generation 25 Texas charter application for 2020 that are included in this document. These recommendations provide common sense, practical changes that the Texas Education Agency (TEA) could adopt to increase the overall transparency of the charter application process and provide critical information that would inform the charter approval process.

Specifically, the recommendations suggest changes that would ensure adequate notice about charter expansion and opportunities for input into the process; provide important information to help decision-makers and Texas taxpayers better understand the impact of a new charter school on students and local schools; identify existing enrollment capacity by geographic area to determine the need for a new charter school; and ensure a more efficient use of public funds.

These changes to the application process are critical because in the current application process, education stakeholders and the public have very little notice about key steps in the charter application process which limits their opportunities for input to decision-makers. In addition, critical information that could contribute to a more thorough evaluation of the application is either not included or difficult to find in the application document.

Most importantly, we request that TEA consider existing enrollment capacity and the impact of new charter schools on the state and local districts in its approval process for charter expansion.

The following organizations endorse these recommendations for changes to the Generation 25 new charter application:



Texas Association of School Boards

Texas AFT  
*A Union of Professionals*  
[www.texasaft.org](http://www.texasaft.org)



Association of Texas Professional Educators®



tcta®  
Texas Classroom Teachers Association



Pastors for Texas Children



FASTGROWTH  
SCHOOL COALITION



TEPSA  
Texas Elementary Principals and Supervisors Association



Children First  
IDRA  
Transforming Education

## RECOMMENDATIONS: GENERATION 25 NEW CHARTER APPLICATION

### INCREASE PUBLIC NOTICE

1. Guarantee school districts included in the geographic boundary of each proposed charter school campus with a *minimum* of fourteen months advance notice before the opening of a new charter school campus *after* the State Board of Education (SBOE) has given its final approval in order to provide sufficient time for districts to make financial and staffing adjustments that result from the opening of the new charter school.

**Current practice:** *New charter schools approved through the new application process generally open approximately fourteen months after the State Board of Education has given its final approval of new charter schools **but that lead time is not guaranteed.** The Board vote is usually in June of the year prior to the opening of the new charter school in August.*

2. Post notices on the TEA web site and notify affected superintendents, school board members, and legislative representatives at least 15 working days in advance of the public meeting conducted by charter applicants as required in the charter application process. Create a listserv at TEA that allows interested parties to sign-up to receive advance notice from the agency about these public meetings as soon as they are announced.

**Current practice:** *The general public has virtually no notice about the public meetings conducted by charter applicants to inform the public about the proposed charter school:*

- *The only required public notice is placement of one small advertisement on one day in the advertising section of one newspaper of general distribution within the geographic boundary of the proposed charter.*
- *The proposed geographic boundary for the new charter can include dozens of different districts and/or counties so the public meeting may not be held in the district or county where the charter eventually locates.*
- *The public meeting can be held at any time within eighteen months of submission of the application.*

*Charter applicants are not required to notify TEA about the required public meetings. As a result, TEA does not have the information to post notice on its website, and the public has virtually no way to find out about the required “public” meetings conducted by the charter applicant. Note that charter applicants often post notice about the public meeting on their Facebook page or through social media, but this notification to such a limited audience is not adequate public notice.*

3. Provide at least one-month public notice in advance of the TEA interviews with charter applicants. Issue a press release, post in a prominent spot on the TEA website, and notify affected districts about the date and time of the TEA interview. Create a listserv at TEA that allows interested parties to sign-up to receive advance notice from the agency about the interviews as soon as they are announced.

**Current practice:** TEA does not generally issue a press release about the TEA charter interviews so affected districts and other stakeholders are often unaware of the opportunity to learn more about the charter schools proposed in their district.

4. Announce the charter schools approved by the Commissioner at least one month prior to consideration by the State Board of Education. Issue a TEA press release, post in a prominent place on the TEA website, and notify the Superintendent and School Board members in districts included in the primary charter boundary about the Commissioner’s approval of the charters and the meeting date of the State Board of Education. Create a listserv at TEA that allows interested parties to sign-up to receive advance notice from the agency about the approvals and the SBOE meeting as soon as they are announced.

**Current practice:** Charter schools approved by the Commissioner in 2019 were announced only three days before consideration by the State Board of Education’s Committee on School Initiatives, providing little time for SBOE members to request or receive input from constituents. Affected districts are currently not notified about the Commissioner’s approvals and are generally not aware of the SBOE meeting date.

5. Notify the Superintendent in the affected districts when the actual location of each new charter school campus is determined.

**Current practice:** Notification is not required and the actual location of a new charter school is not posted on the TEA website. Because charters are not required to provide a specific address for new charter schools in the application and may list multiple districts as possible sites, districts do not have sufficient information to make budget and staffing changes in response to the actual location of a new charter school.

## PROVIDE IMPORTANT INFORMATION IN THE CHARTER APPLICATION

### **Information about the proposed charter school location and nearby local schools**

6. If the physical address of each new campus is unknown, applicants must provide the following information in the charter application: county, school district, general geographic area, and neighborhood(s) where each new charter school will be located, which must be within a three-mile radius of any final site selected for the charter school. (See Application Overview – page 2).

**Current practice:** Applicants are only required to include the county and general location of the proposed charter campuses which makes it difficult for a school district to provide accurate information about the impact of the charter without having more a specific location. If a charter has adequately assessed the need for a new school as required in the application, it should be able to pinpoint the neighborhood where the charter will be located.

7. List all existing charter schools and district schools that are within five miles of the proposed charter schools. Include grade levels for each school, current enrollment, enrollment capacity, and the most recent TEA accountability ratings for each school and affected school district, so that existing

enrollment capacity and student performance of nearby schools and districts are considered in the charter approval process. (See Overview of Anticipated Need – Geographic Boundaries, page 6 and Campus Request and growth, page 25).

**Current process:** *The current application does not request a list of existing charter and district schools that are nearby a proposed new charter school. The only campus information specifically requested is the total number of charter and district schools in the entire district. As a result, stakeholders and TEA do not have sufficient information to determine the existing enrollment capacity in charter and district schools in close proximity to the proposed charter school or to evaluate the saturation of charters schools within the targeted geographic area.*

8. Require that charters only reference the accountability ratings or student performance from the TEA data system. References to accountability ratings from any non-TEA organization should be not allowed.

**Current practice:** *Applicants often use the ratings provided by a third-party organization whose methodology has not been subject to public review or verified for accuracy.*

9. Provide projected student demographic data for each proposed charter school and compare this data to demographics for the two closest existing district schools geographically that serve a similar grade level. Expand the demographic data to include projections of discipline placements. (See Overview of Anticipated Need – Enrollment and Demographic Projections – page 9).

**Current practice:** *The charter applicant is required to provide projected demographic data for only one proposed charter school, so it is not clear what the targeted student enrollment is for each proposed charter school. This lack of information for each proposed schools was an issue in the discussion of one Generation 24 charter applicant. In addition, applicants are required to submit comparison demographic data for only the entire “occupied” and contiguous districts, which is not a relevant comparison. A comparison of student demographics to the closest district schools provides a more accurate picture of whether the proposed charter plans to enroll students who are representative of the neighborhood it intends to serve.*

#### **Information available to school districts**

10. Provide more information about the proposed new charter school to affected school districts before the districts submit the “statement of impact” form to the Texas Education Agency:

- Provide an electronic copy of the charter application summary pages (pages 1-10) to each affected school district when the charter applicant sends the statement of impact form to the district.
- Provide an electronic copy of the full charter application and the Financial Plan Workbook to district Superintendents once TEA redacts relevant information from the application.

**Current practice:** *Districts only receive the statement of impact form and the charter application coversheet from charter applicants but do not receive sufficient information about the charter*

*application to project the impact on local schools and the district (See Finance/Operations/Governance Attachment 2). Importantly, if the proposed charter only provides the county and general geographic area where the charter will be located, districts do not even know if the charter intends to locate within the district.*

11. Expand the summary information included in the application in order to highlight key information for stakeholders and ensure that they are aware of important elements in the charter application that will impact students and schools in their district (See Applicant Overview, Application Overview, Overview of Anticipated Need, and Executive Summary, pages 1-10). For example:

- Include a check-off box that states whether the charter applicant will exclude students for discipline problems from enrollment and the extent to which they will apply this exclusion. In addition, indicate the page number within the application where the discipline exclusion is described in more detail (Application Overview section, pages 2-3).
- Include a summary chart with the total budget by detailed expenditure category for each proposed campus for the start-up year to year 5 (See Application Overview, pages 1-2).
- Include the total number of district schools and charter schools located within five miles of the proposed new charter school.

**Current practice:** *Critical information is often difficult to find in the 400+ page charter application. For example, in the interviews with Generation 24 charter applicants (2019), many applicants did not even know that their application included a section stating that they would exclude students with discipline history. In addition, there is no detailed budget summary in the charter application that is available to the public – only a high-level summary is included. The full Financial Plan Workbook is only available via a Public Information Request to TEA. If the charter application is to be truly transparent, important information must be easily found within the application.*

### **Public meetings, board meetings, and open records**

12. Ensure that the public meeting required in the charter application process is organized by the charter applicant and focuses on the charter application; is conducted at a site within the three-mile radius where the new charter school will be located; provides public notice about the meeting through the TEA website; and ensures that the meeting results and attendance are accurately presented in the application:

- Ensure that charter applicants report the number of attendees at each public meeting held as part of the charter school process, rather than aggregated numbers for all the meetings conducted.
- Report the numbers of attendees at each public meeting that are affiliated with any charter Board member, application team member, or any proposed staff member.
- Require that the public meeting conducted as part of the charter application process is organized solely by the charter applicant and is not part of a larger community event (Note: charter applicants often participate in other community outreach events but should not include these events as the required public meeting).
- Send TEA a notice about each public meeting so that TEA can post notice about the meetings at least 15 working days in advance of the meeting on the TEA website. Applicants should

send an announcement to all Superintendents, school board members, and legislative representatives in the charter's proposed geographic boundary.

- Include a copy of all materials that were distributed at each of the required public meetings in the charter application, including questions or surveys that were completed by participants.

**Current practice:** *Although the application requests the number of participants at each public meeting, some charters have not provided this specific information. In addition, there is no way to determine the number of attendees that are affiliated with the applicant or charter board members. Finally, some applicants have started reporting their participation in a large community event as the "public" meeting required in the application process, even though the community event is not even related to public education.*

13. Provide information about meetings of the board of directors of the charter should the application be approved, including general meeting dates, time, location, and the distance of these proposed meeting sites from the location of each proposed charter school.

**Current practice:** *Charter schools may locate new schools in multiple districts or counties, and hold Board meetings in an entirely different location, making it extremely difficult for parents or the public to attend the meeting, especially if board meetings are not scheduled in the evenings.*

14. Indicate in the application whether the new charter applicant will comply with the open records provisions in the statute that are applicable to school districts.

### **Budget and Facility Information**

15. Post the entire Financial Plan Workbook on the TEA website for each new charter application at the same time that the charter application narrative is posted.

**Current practice:** *The Financial Plan Workbook which includes detailed budget information is not available on the TEA website and must be requested from TEA through a Public Information Request. The charter application narrative that is posted on the TEA website includes only a one-page financial plan summary and a description of budget assumptions, sources of funding, revenue estimates, and expenses for the start-up year (See Attachment Finance, Operations, Government - FOG 10).*

16. Include a separate line item in the budget for any fees or payments that the charter applicant or parents will pay to any affiliated organization for any goods or services, such as charter management services, professional development, curriculum, intellectual property, uniforms, dues, membership fees, etc. In the budget narrative include the name of the affiliated organization, address, a description of the service or goods that the affiliated organization will provide, a description of the relationship between the charter and the affiliated organization, and the annual cost by year for each service or type of goods, whether the cost is a percent of total state funds, a set fee for service, or other financial arrangement.

**Current practice:** *Limited information about fees and payments to affiliated organizations may be provided in the application narrative or in the Financial Workbook under "payment to a*

*management organization” but specific detail about the payment and the value received for the payment is not required, and the information is not highlighted in the Table of Contents by page number.*

17. Expand the information provided regarding the specific charter support/development organization(s) that will provide the charter applicant with financing of school facilities, including: the organization home address (not just a Texas affiliate); key contact information; and typical financing arrangements for the organization in its agreements with other charter networks. Include fees, interest rates, buyback/purchase provisions, terms of the lease, and use of competitive bids for construction. List any proposed construction company or vendor that is affiliated in any way with the charter applicant or the development organization, the sponsoring organization, or charter board members, and any current or past agreements that the charter applicant has made with the development organization (Campus Facilities – pages 26 and 28).

**Current practice:** *The current application does not require the applicant to provide detailed information about the development organization sufficient to determine whether the terms of any financing agreement will ensure the best use of taxpayer dollars and reveal any potential conflict of interest. Serious conflicts of interest were discovered in prior charter applications only through extensive research about the development organization.*

18. Include more categories and/or descriptions for contracted services in the Financial Plan Workbook in order to provide more detail about how funds will be spent by program area or function and to clarify how the contracted services align with program expenses (See Finance, Operation, Government – Contracted Services and Financial Plan Workbook).

**Current practice:** *The Financial Plan Worksheet requests contracted services broken out by some categories such as legal, audit and special education but allows the use of the category “custom contract service” category without identifying the purpose of these contracted services even in the “description of assumption” section of the budget spreadsheet.*

### **Experienced operator addendum**

19. Provide additional information about the experienced operator, including:
- A chart with information about each school administered or managed by the operator by state that includes: school name and address; accountability rating over previous three years; enrollment over the previous three years; and student demographics. Note that some of this information is provided in the addendum to the application, but it is spread over different sections and is not aggregated into one-easy-to read chart.
  - Any names used by the charter operator over the last ten years.
  - Any financial rating received by the charter operator over the last five years from each state where the charter operates.
  - Information about any payments or fees that will be made to the out-of-state charter organization or affiliated organization with a description of the purpose of the payment and the annual cost.
  - Information about any organization or business affiliated with the charter operator or member of the charter board of directors that will have any relationship to the proposed new charter school including a vendor relationship, management or advisory role, or other purposes.

- A listing of any charter application submitted by the operator under the current or previous name of the operator that has been denied by a charter authorizer, with the name of the school, the name of the authorizer, the denial date, and a link to the authorizer’s decision document and the charter application.
- The name of any school operated or managed by the charter applicant that has closed in the last five years with a reason for closure.
- A link to the state websites that provide accountability ratings, financial ratings, student demographics, and/or school report cards.
- A link to the charter applicant’s annual financial statements and/or audits for the previous five years (note that financial statements are provided in the addendum).
- Any third-party reports or audits related to the charter operator or any schools managed by the operator that have been conducted over the last five years.
- The time, date, and location of any charter board of director meetings held within twelve months of submission of the charter application in the school district where the new charter will be located and a description of any parental participation at the board meeting.

**Current Practice:** *The application requires an “experienced” operator to complete a separate addendum to the standard new charter application but it does not request information needed to fully evaluate the operator’s academic and financial performance which is particularly critical to evaluating the application from a charter applicant that is affiliated with an out-of-state organization.*

### **Curriculum and instruction and other program areas**

20. Expand the description of curriculum and instruction and other program areas to include the following information in order to better evaluate the proposed academic and innovative programs and how these programs will be inclusive of all student populations:

- Description of how the educational/instructional model or innovative program proposed by the charter is distinguished from similar models currently implemented at schools within five miles of the proposed charter.
- Description of the research base for any proposed curriculum model or innovative program.
- Professional development that will support the proposed curriculum model and any other new program, including information about the number of training days/hours, associated costs, trainers, stipends for teachers, and general dates the professional development will be conducted (summer, during the school year, etc.).
- Specific description of how the charter will accommodate and support different student populations with mastery of the charter curriculum model or innovative program, including students with special needs/dyslexia, English Language Learners, students with discipline problems, students who have been retained, gifted and talented students, and students who have not met the standard on state assessments (Note the application asks the applicant to provide a “rationale for the use of the proposed curriculum model to meet both the general and unique needs of the target population and the community”).
- The charter applicant’s experience implementing the proposed curriculum or innovative programs and evidence of the applicant’s success.

- Description of any additional graduation requirements that will be implemented by the charter school, including admission to a four-year college. Describe how any new graduation requirement will accommodate students with special needs/dyslexia, English Language Learners, and students who choose to enter the military or a trade or to attend a two-year community college (Promotion and Graduation, page 18).
- Proposed student (and parent) code of conduct and the grounds for suspension and expulsion.

**Current practice:** *While the application includes a description of the proposed academic program, more information is required to thoroughly evaluate whether the charter operator can effectively implement the curriculum model and innovative programs.*

### **Key charter personnel**

21. Provide a full resume in the application attachments for each charter Board member, application team member, and the CEO/Superintendent/Executive Director that includes the following information with dates: work history, education, credentials, and other key accomplishments, plus the criminal background check and disclosure of any compensation paid to the board member by the charter applicant directly or through contracting with a vendor with whom the board member has a relationship.

**Current practice:** *The application only includes a “biographical affidavit” for Board members to complete which provides little information about professional and educational background of key charter leadership. The affidavit is primarily focused on the Board member’s perspective regarding service on a charter board.*

### **REVIEW AND SCORING**

22. Maintain a thorough charter application review process that incorporates the expertise of external reviewers.
23. Ensure that the criteria used by TEA to score charter applicants reflects these recommended changes.

### **REVISIONS TO THE FORMAT**

24. Provide page numbers for all attachments in the Table of Contents.

**Current practice:** *Attachments are not included in the Table of Contents so it is difficult to find specific documents by name, even though the attachments can be a total of several hundred pages.*

25. Provide answers in the narrative sections by individual question to make the document easier to read and information easier to locate and to ensure that applicants respond thoroughly and intentionally to each specific question.

**Current practice:** *Responses in the application are generally a long, single-spaced narrative by section. The responses may incorporate answers to many of the questions outlined in a particular section, but specific answers are hard to track, difficult to follow, and often repetitive. Simply asking for responses by question would make answers easier to track for both the applicants and reviewers.*